

Williamstown, MA

Housing Feasibility Assessment

An Assessment of the Development
Potential of the Lowry Property

Prepared for the
North County Community Development
Corporation, North Adams, MA &
the Town of Williamstown

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I. Introduction

1. Purpose of this Study

The North County CDC of North Adams engaged John Ryan, Principal of Development Cycles, Amherst, MA to provide technical assistance to the Town of Williamstown. The consultant has evaluated the feasibility of developing a parcel of land in Williamstown known as the Lowry Property as ownership housing affordable to low and moderate-income Williamstown residents and employees. The purpose of this study is to evaluate whether this property can serve the town in its efforts to provide homeownership opportunities to households along a diverse range of incomes, age, and household types. Key area of inquiry include:

- The nature of the community's housing need
- The appropriateness of this parcel for housing development
- The financial feasibility of developing this site for homeownership opportunity to low- and moderate-income residents
- A recommended critical path and likely timeline for pursuing this development opportunity

In addition, the consultant has commented more briefly on other approaches the community might consider to begin addressing their housing needs in the decade to come. Among the options for action, the consultant also addressed the process for evaluating the Photech Mill site as a development opportunity.

2. Methodology

The Consultant performed the following tasks in an effort to assess the viability of developing the Lowry Property:

- A physical evaluation of the site and adjoining neighborhood
- A review of available maps and historical records, recent housing studies and Town Master Plan
- Interviews with Williamstown town officials, Realtors, employers, and housing professionals
- An evaluation of key U.S. Census and MA Division of Employment and Training demographic and income data
- The preparation of a representative development pro forma identifying Sources and Uses of Funds
- The preparation of a representative critical path and timeline for development

3. Limitations

The study has a number of key limitations to consider when reviewing the findings and recommendations provided:

- The consultant assumes that the client will aggressively promote and competently manage any project and that its design will afford maximum site utility.
- The study assumes that relatively stable conditions will persist over the period under consideration. Specifically, it assumes that neither Massachusetts nor the United States will suffer a major decline or depression.
- The study bases all dollar amounts on the 2003 value of the dollar unless otherwise noted. In order not to overstate the available levels of opportunity, the projections are not adjusted to reflect the effects of future inflation.
- The information, estimates, and opinions contained in this report were derived from sources considered reliable. The consultant assumes the possibility of inaccuracy of individual items and for that reason relied upon no single piece of information to the exclusion of other data, and analyzed all information within a framework of common knowledge and experienced judgment.

4. Background Information

The Lowry Property is a 30.64-acre parcel located off Stratton Road, about one mile southeast of downtown Williamstown. The property is located in the General Residence 1 (GR1) development zone. The site itself is hilly in character, consisting primarily of hayfields. Immediate neighbors to the parcel include two condominiums developments as well as several single-family homes, a medical office, a horse farm, and a cemetery.

The Town of Williamstown owns the Lowry Property, having acquired the land from Floyd Lowry in 1956 for \$29,000. In 1987, Town Meeting conveyed the property to the Conservation Commission's care under the provisions of Massachusetts General Laws Chapter 40, Section 8C. According to the Chairman of the Williamstown Conservation Commission, the property is currently used for haying, open space preservation, and recreation. Appendix A provides a key baseline maps of the parcel including a perimeter survey map and a Town Zoning map. A water & sewer map,

topographic map, and a wetlands determination will also prove essential to a full understanding of the property's development capacity.

In 2002, the Town's Master Plan Steering Committee commissioned a Housing Needs Study from Vanasse Hangen Brustlin (VHB) of Watertown and RKG Associates of Durham, NH. This study estimated that there is an immediate local demand among non-elderly low, moderate and middle-income renters for 65 affordable ownership units. This housing would serve new households, existing renters, and key local employees with incomes between roughly \$30,000 and \$75,000. The study identified three significant parcels with the potential to address this need. The Lowry Property was one of the parcels identified. After considering this study and receiving much public input, Master Plan Steering Committee set the goals for the community as regards ownership housing which included the following:

- A goal be established to create 100 units of new housing over the next ten years (including rental units) that is affordable to people at various income levels – single family units priced in the ranges of \$150,000 to \$225,000 and \$200,000 to \$400,000.
- A portion of the Lowry property be used to address the town's range of housing needs while setting aside a significant portion of the property for open space.

Appendix B provides a summary of the Housing Section of the Williamstown Master Plan.

The current assessment follows from the work of the VHB/ RKG consultants and the Town's Master Plan Steering Committee. The Lowry Property represents one of the few large parcels in the community that has public water and sewer infrastructure. If the Town is to begin to address the housing goals of the Williamstown Master Plan, the Housing sub-committee of the Master Plan Steering Committee felt that it was important for the community to seriously consider the use of this property to address some of the housing need. This sub-committee recognizes that the property currently serves a meaningful role as recreational and conservation land and that, at this point, no consensus exists about its best public use. They have asked the consultant to evaluate the physical, political, marketing, and financial characteristics of the parcel, and provide information about its capacity to support affordable homeownership development that would inform any discussion of its use.

The following represent key questions that the consultant has asked. These questions provide the structure for the analysis that follows:

- What is the nature of the community's ownership housing need and how would the addition of new housing units affect the existing housing market?
- How appropriate is the Lowry parcel for housing development?
- What is the financial feasibility of developing this site for homeownership opportunity to low, moderate and middle-income residents?
- How can the Town best address the various challenges this opportunity offers and tap the organizational capacity available to carry out an appropriate development of the property?

II. What is the Nature of the Community's Ownership Housing Need?

The RKG Study highlighted the communities attractiveness as a retirement community, its rising housing prices, its overall lack of housing and population growth, and its aging population as key factors in understanding the community's housing needs.

Housing in Williamstown is significantly more expensive than its Berkshire County neighbors, yet it remains relatively affordable by state housing and income measures. A substantial range of housing values does exist in the community, thereby providing more housing options than many small, desirable communities in more heavily populated parts of the state. Preserving that affordability for existing residents and employees represents a major focus of the Town's Master Plan for Housing.

Among the key issues the RKG study addressed was the limited amount of new housing development occurring in the community, and the exclusive character of that development. From 1990 to 2000, Williamstown averaged only three new rental units and 13 new ownership units per year. According to the RKG study, homes built in Williamstown over the past five years have an average lot size of more than five acres and an average assessed value of more than \$350,000. The absence of lower-cost new construction is due in part to a shortage of locations near existing utilities that could accommodate construction on smaller lots. The following illustrates the decade's rapid decline in new housing based on Census information.

Total Units Built (Williamstown)

1950-1960	413
1960-1970	401
1970-1980	469
1980-1990	259
1990-2000	164

2000-2010

Only 10 percent of the town's housing built in the past 50 years was built in the last decade. This lack of new housing starts is a larger statewide issue that housing experts generally concur is a major cause of spiraling housing prices. That said, the state's rate of new housing growth is nearly 50 percent higher than Williamstown's. In this consultant's view, without new, moderately priced construction in the decade ahead, the community's diversity of housing prices will steadily erode. This concurs with the overall RKG findings that report, "it is important to provide for a sufficient level of housing growth and diversity to maintain stable public service demands and to enable low and moderate income residents to remain in the community."

Within the context of need for a steady production of homeownership opportunity for low-and moderate-income residents, Development Cycles focused on the income levels and housing prices most needed. Since the completion of the RKG study, the U.S. Census has made available more detailed information from the 2000 U.S. Census. This census data suggests that 33 percent of the Town's 701 renter households have incomes over \$50,000 and another 10 percent have household incomes between \$35,000 and \$50,000. This contrasts with owner households where 75 percent have incomes over \$50,000. Overall, the median household income in Williamstown is \$51,875 or about 33 percent higher than for Berkshire County and four percent higher than for the State as a whole.

The following compares median household income, median renter income, median and lower quartile home value, and relative buying power for Williamstown, Berkshire County, and Massachusetts based on the 2000 U.S. Census

	Williamstown	Berkshire County	Massachusetts
Median Household Income	\$51,875	\$39,047	\$50,502
Median Renter Income	\$29,600	\$22,500	\$23,800
Median Home Value	\$160,200	\$115,100	\$182,800
Lower Quartile Home Value	\$116,200	\$88,300	\$135,000
Percent of Renters Who Can Afford Home Prices:			
@ Lowest Quartile	44%	42%	38%
@ Median Price	33%	29%	22%

In the larger context, Williamstown still offers a relatively wide range of home sale prices. Given incomes and housing prices, the community is significantly more affordable for its own renters than it is for state and slightly more affordable than for those renters living in the rest of Berkshire County.

Housing is not only an issue for current residents, but for those who work in Williamstown as well. The MA DET's 2001 employment data suggests that

Williamstown is home to 3,780 jobs. Of these jobs, 1271, or 33 percent are in educational services where the average wage is just under \$40,000/ year. Fifteen percent are employed in health service, which pays the typical average wage for the community as a whole of about \$31,700. Another 20 percent of local jobs are in relatively low paying retail and service sector jobs including Eating and Drinking Establishments, Hotel and Lodging, and Miscellaneous Retail. These jobs pay an average wage of around \$20,000/ year. The average wage for all jobs in Williamstown in 2001 was \$31,720. In all, the average wage for jobs in Williamstown is about 12 percent below the average for the state as a whole. The 2000 Census suggests that residents commuting to the town from other locations fill roughly 36 percent, or 1,359, of Williamstown jobs. No direct information exists regarding the income differences between resident and commuting workers. Still, given that Williamstown's median household income is 3 percent higher than the State and its average job pays 12 percent lower than the state, it is reasonable to assume that those commuting to the town for working are filling more of the lower paying jobs. It also seems likely that any affordable housing in Williamstown will attract significant interest from these commuting workers.

Discussions with local Realtors suggest that the housing market has been strong both for single-family homes and for condominiums in the past two years. As shown in Figure II.1 below, the median priced single-family home sold in Williamstown in 2002 was \$227,000. This is 35 percent higher than the value represented by residents in the 2000 Census. Condominium sales have risen even faster. The median valued condominium in 2000 was \$82,400; ten condos sold in 2002 for a median price of \$168,700 or more than double the 2000 value. In all, twenty-four single-family homes or condominiums, representing 26 percent of all 2002 transactions, sold for less than \$150,000. Another 27 percent sold for over \$400,000.

The Realtors interviewed concurred on the areas of greatest need in the community. Their comments included the following:

- There is a lack of housing inventory at nearly all price ranges.
- The addition of up to 100 new units of housing over two or three years could be absorbed with no negative affect the Town's overall housing market.
- The greatest gap between supply and demand is in the below \$100,000 range (households earning under \$30,000).
- The next gap is good quality single-family homes between \$175,000 and \$275,000.
- There is a demand for a 55 and over condominium with an "age-appropriate design." Such a project could command prices from \$150,000 up to \$300,000.

As the Town considers the development of ownership housing to serve residents earning from less than 80 percent of median up to 150 percent of median it is important to understand how much housing is affordable to first time buyers at different income

levels. Figure II.2 provides a brief analysis of housing prices affordable to different income groups.

Fig.II.1

**Williamstown Home and Condominium
 Sales, 2001-2002**

	2000 Census Value	2001 Sales	2001 Pct	2002 Sales	2002 Pct
Single Family Homes					
<i>Less than \$100,000</i>	16%	2	4%	6	7%
<i>\$100,000- \$149,999</i>	28%	15	26%	15	18%
<i>\$150,000- \$199,999</i>	15%	9	16%	17	21%
<i>\$200,000- \$249,999</i>	13%	7	12%	8	10%
<i>\$250,000- \$299,999</i>	9%	7	12%	10	12%
<i>\$300,000- \$399,999</i>	10%	5	9%	3	4%
<i>\$400,000- \$499,999</i>	7%	6	11%	9	11%
<i>\$500,000- \$999,999</i>	4%	5	9%	12	15%
<i>\$1 million or more</i>	0%	1	2%	2	2%
Total	100%	57	100%	82	100%
<i>Median Value</i>	\$168,400	\$219,000		\$227,000	
<i>Change 2000-2002</i>					34.8%
<i>Change 2001-2002</i>					3.7%
Condominiums					
<i>Less than \$100,000</i>	67%	7	50%	2	20%
<i>\$100,000- \$149,999</i>	16%	3	21%	1	10%
<i>\$150,000- \$199,999</i>	14%	3	21%	4	40%
<i>\$200,000- \$249,999</i>	3%	1	7%	2	20%
<i>\$250,000- \$299,999</i>	0%	0	0%	1	10%
<i>\$300,000- \$399,999</i>	0%	0	0%	0	0%
<i>\$400,000- \$499,999</i>	0%	0	0%	0	0%
<i>\$500,000- \$999,999</i>	0%	0	0%	0	0%
<i>\$1 million or more</i>	0%	0	0%	0	0%
Total	100%	14	100%	10	100%
<i>Median Value</i>	\$82,400	\$98,000		\$168,700	
<i>Change 2000-2002</i>					104.7%
<i>Change 2001-2002</i>					72.1%

**Combined 2001-2002 Sales,
 All Type**

<i>Less than \$100,000</i>	17	10.4%
<i>\$100,000- \$149,999</i>	34	20.9%
<i>\$150,000- \$199,999</i>	33	20.2%
<i>\$200,000- \$249,999</i>	18	11.0%
<i>\$250,000- \$299,999</i>	18	11.0%
<i>\$300,000- \$399,999</i>	8	4.9%
<i>\$400,000- \$499,999</i>	15	9.2%
<i>\$500,000- \$999,999</i>	17	10.4%
<i>\$1 million or more</i>	3	1.8%
<i>Total</i>	163	100.0%

Figure II.2

Housing Price Affordability in Williamstown

Sales Price	Income Needed	Pct Renter HHs at this Level	Pct Homes Priced at or Below this Level
\$100,000	\$29,600	50%	16%
\$125,000	\$37,000	38%	30%
\$150,000	\$44,400	36%	44%
\$175,000	\$51,800	34%	52%
\$200,000	\$59,200	29%	58%
\$225,000	\$66,600	27%	65%
\$250,000	\$74,000	25%	67%
\$300,000	\$88,800	17%	80%
\$350,000	\$103,600	12%	89%

In summary, it is the consultant's view that any efforts by the Town to provide affordable ownership housing should take into account the following:

- The key issue is scarcity of housing resources: namely developable land, new housing starts, and an inventory of housing at all price ranges. This scarcity

will continue to drive up housing prices and reduce the admirable economic and demographic diversity of the community that currently exists.

- There is not yet a housing crisis; the Town can afford to plan any major development carefully on the scarce and valuable resource it does own.
- The Town would benefit from having more housing along a range of pricing, with two areas of greatest need being in the under \$125,000 price range and the \$175,000 to \$250,000 range.
- The Town's housing inventory is quite mixed with lower cost homes abutting very high cost properties throughout town. This lack of price segmentation will help support the ability to market a mixed income use of the Lowry property.
- As Realtors suggested, the addition of up to 100 new units of housing over two or three years could be absorbed with no negative affect the Town's overall housing market.

III. How Appropriate for Housing Development is the Lowry Property?

1. Availability for Development

The Lowry Property is owned by the Town of Williamstown and managed as conservation land by the Conservation Commission. Its current ownership restricts the parcel to farming and recreational uses. In order to develop this site for affordable homeownership, the following legal steps would need to occur:

- The Conservation Commission would have to vote to transfer control of the parcel (or a portion thereof) from the Conservation Commission to the Town or other designated party for development as housing.
- Town Meeting would have to vote to transfer control of the parcel (or a portion thereof) from the Conservation Commission to the Town (by simple majority) or to another designated party for development as housing (by two-thirds vote). At such time as the property is actually transferred to another entity, Town Meeting would have to authorize that transfer by a two-thirds vote.
- The Massachusetts legislature would have to vote to release the Town from its obligations to keep the property in conservation under Massachusetts General Laws Chapter 40, Section 8C.
- If the Town wanted the affordable units to count toward Chapter 40B housing goals, the Board of Selectmen would need to approve a Local Initiative Program (LIP) request made by the developer of the parcel to the MA Division of Housing and Community Development (DHCD). DHCD would itself have to approve the LIP request in order for the project to have standing as a Comprehensive Permit.
- The Town's Board of Selectmen or their designees would have to convey the right to develop the property to a private development entity through a Chapter 30B Request For Proposal process which stipulates the kind of housing project they authorize.
- The developer of the parcel would have to receive either a Sub-division Plan Approval/ Special Permit from the Williamstown Planning Board, or a Comprehensive Permit from the Williamstown Zoning Board of Appeals to develop the property.

2. Site Characteristics

The Lowry property consists largely of undulating pastureland with occasional tree breaks. The interior sense of the property is quite attractive. Views of the surrounding hills and the steeples of Williams College are present throughout the site. The land is convenient to town but feels relatively remote. The two larger condominium developments, Stratton Hills and Greylock Village, border the property to the southeast. They detract some from the overall market appeal of the property, especially at its southern boundary.

Town water and sewer utilities abut the site at the Stratton Hills condominium. According to the Town Manager, no critical issues of water or sewer availability would prevent the development of homes on-sewer at this location.

The land is located in the General Residence 1 District (GR1). It does not fall into any other zoning overlay district. Single-family and two-family residences are permitted "by right" within this zone. Since the parcel has access to Town water and sewer, multi-family housing is also allowed with a Special Permit granted by the Planning Board. Single-family homes in the GR1 District require a minimum of 10,000 square feet with 100 feet of frontage.

The Town owns a 50-foot right-of-way between the property and Stratton Road immediately north of the Stratton Hills Condominiums. This right-of-way slopes up to the flatter upland areas at a roughly seven to ten percent grade. This would logically serve as a primary entrance to the property. The property's only actual frontage on Stratton Road includes a 75-foot strip of land just south of Stratton Road's intersection with Allen Road. Here the grades are much steeper and wetland issues may well limit the use of this strip as a secondary egress without the taking of additional land.

In general, the land appears highly developable. There are two relatively flat areas where building could economically occur. These include a roughly 7.5-acre parcel immediately west of the Stratton Hills Condominium (marked A on the Figure III.1) and a larger ten to 12 acre parcel (marked B). Parcel A would result in a more visible development from Stratton Road with much stronger visual ties to the Stratton Hills Condominium. Development in this portion of the site would likely entail less road and utility infrastructure. It would have less market value because of its proximity to the densely developed condominium projects. Parcel B would have relatively little visual impact except to immediate abutters. This land would have significantly greater market appeal and would likely be somewhat more costly to develop.

The Master Plan Housing Sub-committee expressed an interest in clustering any housing on a portion of the site so as to 1) retain some of the property as conservation land; 2) to provide a visual buffer from existing neighbors; and 3) and protect the Green

Fig. III.1 Lowry Property: Key Development Areas



River from run-off. They suggested a small village concept of detached single-family homes and attached duplexes on 5,000 to 10,000 square feet lots comparable in size to some of the older in-town neighborhoods. The concept of a clustered village of single-family and duplex homes could move forward under two permitting scenarios: 1) as a Special Permit from the Planning Board utilizing the flexible development or multi-family provisions of the GR1 zoning; or 2) through a Chapter 40B Comprehensive Permit issued through the Zoning Board of Appeals. As a subdivision built under normal zoning and sub-division standards, this property could support up to roughly 90 homes. The by-law further allows the Planning Board to provide a density bonus of up to 25 percent of the basic allowable units for projects that provide affordable housing according to the guidelines of a state or federal housing assistance program. The Williamstown by-law allows for flexible, multi-family development up to the density permitted through a traditional sub-division. With or without a Chapter 40B comprehensive permit, the site has the zoning to provide a substantial number of housing units.

From a development perspective, the site has more assets than drawbacks. Its key development assets include:

- Its proximity to the village center and Williams College
- An attractive community with little housing inventory and virtually no new competing construction
- Water and sewer to the site
- Areas on the site supporting a relatively flat building envelope
- Mountain views in all direction
- A number of attractive abutting uses
- Flexible sub-division and zoning requirements with the potential for higher density development

Its development drawbacks include:

- The series of different votes by different entities needed to make the parcel available for development
- Likely opposition from neighbors
- The need for a long cul-de-sac or a secondary entrance that may require the acquisition or taking of additional land
- The marketing drawback of two relatively dense condominium developments abutting the parcel

3. Options Under Current Zoning

The property is located in a General Residence 1 zone. This zone permits single family and duplex residences. Multi-family developments may be permitted by special permit, with density limited to what would be allowed under normal zoning. The GR1

zone requires 10,000 square foot lots with a minimum of 100 feet of frontage. By-law includes provisions for flexibility in terms of lot size and frontage; it also provides density bonuses of up to 25 percent for the provision of housing that meets Chapter 40B requirement. It is difficult to predict at this point exactly how many units might be developed within existing zoning. The exact nature of the road network and any wetlands in the western edge of the property could affect the number of build-able lots. Assuming four lots per acre, no significant wetlands and utilization of 80 percent of the parcel, the development capacity of the entire parcel would be roughly 96 homes. Applying the affordable housing bonus could increase density by another roughly 24 homes. If the same assumptions were used on half of the lot, the development capacity of the parcel would be roughly 60 units.

4. Parameters of a 40B Comprehensive Permit

The Master Planning Housing Sub-committee expressed interest in developing units at the Lowry property that meet the Town's Chapter 40B affordable housing requirements. In order to be recognized as meeting the state's "Affordable Housing" requirements, an ownership project must include units that are permanently affordable to families earning less than 80 percent of median for the area. These affordable units must include covenants that insure restrictions for at least 30 years. In a mixed-income, home ownership development, only those units that are affordable to families earning less than 80 percent of median may be counted toward Chapter 40B requirements.

If the project were to be developed under existing zoning rather than a Comprehensive Permit, the Town would apply to DHCD for inclusion of those units that meet the income and covenant requirements into the Town's affordable inventory once the project is completed. The property's developer might instead wish to permit the project through the Comprehensive Permit process in order to gain greater flexibility to design the lots and road network to meet the needs of the project. In order to establish standing for a Comprehensive Permit process, the land's developer would have to demonstrate that the plan includes participation in a state or federal affordable housing program. For the Lowry Property, the most likely program would be the Local Initiative Program (LIP). The Board of Selectmen would need to initiate its own or approve a Local Initiative Program request made by the developer of the parcel to DHCD. DHCD would itself have to approve the LIP request in order for the project to have standing as a Comprehensive Permit. Upon completion of the project, the State would then automatically recognize all units that serve families under 80 percent of median household income in the Town's Chapter 40B inventory.

With regards to Chapter 40B, the key issues to understand include:

- The Town has fewer than 10 percent affordable units (currently 128 units, or 4.5 percent of the Town's units, meet Chapter 40B requirements) and is

therefore generally subject to Chapter 40B applications from private developers.

- For a homeownership project, only those units which are affordable to residents below 80 percent of median count toward meeting the 10 percent goal. A project with 25 percent affordable units will have only a limited affect of improving the Town's efforts to reaching the overall 10 percent goal.
- The affordable units may be added to Williamstown's inventory regardless of whether the units are developed under the Chapter 40B Process provide they are restricted to serving residents below 80 percent of median and have deed restrictions for at least 30 years.
- The Town's active participation in creating affordable housing will have some bearing with DHCD should the community find itself facing an adversarial 40B development even though it has not yet reached the 10 percent goal.

5. Other Sites with Development Potential

One possible response from neighbors and/or other members of the community is to question, not the concept of affordable housing, but the choice of the Lowry Property location. It is important for the Town to evaluate its other public holdings and to indicate publicly the availability of these holdings for housing. To repeat, the key development assets for the Lowry Property include 1) its size and ability to address the scale of the need; 2) its access to public water and sewer; 3) appropriate zoning; and 4) its proximity to the Village Center and Williams College. Initial conversations with Realtors, developers, and town officials suggest that no available undeveloped parcels, either public or private, share all of these assets. Private properties exist that may prove as marketable with the extension of GR1 zoning and/or public water and sewer, though none are currently seeking these changes. At the moment, the Lowry parcel appears clearly to have the most potential to address the need for new housing. The Carol Cable and Photech Mill sites each have considerable potential to provide for the adaptive re-use of industrial buildings for condominiums and rental housing. Indeed, these sites have the potential to meet a significant share of the Master Plan's housing goals for the decade ahead. In the consultant's view, these two mill sites have more potential hurdles and a longer prospective timeline to development than the Lowry Property. As the community considers how to integrate all three prospective developments over a 10-year timeframe, it makes sense to consider the Lowry Parcel as a first project. Even with its complexities, it has the easiest path to development.

6. Summary

In the consultant's view, the Lowry Property is an attractive site for development. If the town of Williamstown is serious about meeting its Master Plan goals of providing 100 homes for ownership by low, moderate and middle-income residents over the next decade, it must look seriously at developing this parcel. The total number of units, the density of development, the location of homes on the site, the amount of land developed, and the income levels of those served, all represent elements of a community conversation needed to balance the wish for affordable housing with the community's desire for open space, effective municipal services, and a diverse population base.

IV. Financial Feasibility of an Affordable Homeownership Development

1. Representative Pro Forma

Realtors, developers, and town officials expressed a wide range of opinions on how to best develop this property. These suggestions ranged from utilization of the entire parcel as a sub-division of up to 20,000 square foot lots; to a substantial Planned Unit development of over 100 units that integrated senior condominiums, single family homes, lower cost attached units, and recreational amenities; to a development of up to 75 detached and attached homes split into two phases set five years apart. Ultimately, the Town is going to have to decide the type and density of development it wants to see on this property.

Based on these various ideas and his own experience, the consultant provided two alternate development scenarios to test the overall financial feasibility of providing affordable housing at this site. They may be viewed as a moderately low and moderately high level of use. Appendix C provides representative Source and Use Summaries for development of 48 and 72 homes on the property. The 48-home development scenario assumes a mix of single-family and duplex homes on small lots utilizing roughly 12-acres of land (indicated as Parcel B in Figure III.1). The 72-home scenario envisions an additional phase of 24 attached townhouse units located at Parcel A. These Pro Forma are based on a number of key assumptions, including the following:

- There will be no cost for the land
- At least 25 percent of the homes provided will prove affordable to households earning less than 80 percent of median income
- At least some additional homes will prove affordable to households between 80 and 99 percent of median income
- All homes will be affordable to households earning less than 150 percent of median income
- All homes will be of moderate size and quality (alternative approaches describe the financial implications of using stick built construction versus comparable modular construction)
- State and/or federal subsidies will be available for the units selling to buyers below 80 percent of median. These subsidies will be worth \$50,000 per unit for each such 80 percent unit up to the level needed to balance sources and uses.
- All development scenarios offer homes starting at \$130,000 and go up in stages to \$275,000.

The following compares differences in the number of affordable units, in the size of units, and in the need for subsidy based on the total size of the project and the decision regarding modular or stick built construction.

Fig. IV.1

Williamstown Development Feasibility Analysis: Lowry Property
Comparison of Development Options

	48/Modular	48/ Stick Built	72/ Modular	72/ Stick Built
80 Percent Units	19	12	26	18
Two Bdrm @ \$130,000	0	6	8	8
Three Bdrm @ \$145,000	15	6	12	10
Four Bdrm @ \$160,000	4	0	6	0

100 Percent Units	16	6	26	12
Two Bdrm @ \$145,000	0	4	8	8
Three Bdrm @ \$185,000	12	2	12	4
Four Bdrm @ \$200,000	4	0	6	0

150 Percent Units	13	30	20	42
Two Bdrm @ \$200,000	0	0	8	8
Three Bdrm @ \$255,000	9	18	6	22
Four Bdrm @ \$275,000	4	12	6	12

Subsidies				
Likely State/ Fed Funds Available	\$950,000	\$600,000	\$780,000	\$900,000
CPA/ Other Funds Needed to Fill Gap	\$15,056	\$779,780	\$0	\$264,383

Total Units	48	48	72	72
Average Size	1655	1568	1516	1477
Average Sales Price	\$192,292	\$219,792	\$183,611	\$208,611

In summary, the key financial issues for developing the Lowry Property include the following:

- The use of modular construction may well prove to be a necessary cost containment strategy. The consultant estimates that there is at least a \$25 PSF cost difference between modular and local stick built prices for comparable construction. This amounts to a difference of roughly \$40,000 per unit. With modular construction, the need for additional subsidies is substantially

reduced. Without modular construction techniques, there may be a significant limit to how much housing is viable for low and moderate-income residents.

- Even with the provision of free land, the high cost of construction may require additional sources of revenue (including subsidies from CPA, Federal Home Loan Bank, and/or other State and Federal funding programs) in order to serve households earning below 100 percent of median income.
- The 48-home development would likely require close to \$1.4 million in additional revenue above sales to prove financially feasible using stick-built construction. This does not appear to be a financially feasible option, as it would necessitate nearly \$800,000 in CPA or other local funds to close the gap. As a modular development, the 48-home development needs less than \$1 million, nearly all of which may be provided by non-CPA sources. The modular development has the added advantage of providing 35 of 48 units (71%) to households earning less than 100 percent of median, compared to 18 units (37%) in the stick built format. In addition, the modular development provides significant larger homes for residents.
- Under the 72-home scenario, stick built construction requires \$1,164,000 in subsidy, of which CPA funds may need to cover a \$264,000 gap. The modular format requires no CPA funds and \$780,000 in state or federal subsidies. As with the smaller development scenario, the modular design offers considerably more <100% of median units (52 to 30) and larger units than the stick built formula.
- There are many ways to shift the key variables (total units, affordable units, unit size, hard construction costs) and generate other development options. The number of total units has an impact on financial viability but that impact is less than other decisions, including: 1) using modular construction; 2) limiting the number of larger units at the <100% of median price; or 3) accessing CPA and State or Federal housing subsidies.

2. Potential Sources of Public Funding

Appendix D reprints a summary of the key sources of public funding needed to make up the gap between the cost of providing affordable housing and the prices that lower income buyers can pay. The key sources that may be available for this project include: the Federal Home Loan Bank's New England Fund Program; MassHousing's Housing Starts Program; DHCD's Community Development Fund, HOME, and Housing Stabilization Fund programs; and the Community Preservation Act. Given its role as the dominant employer in the community, the Town may also wish to seek a partnership with Williams College that provides private funding support.

In addition to direct development subsidy, there are also a number of sources for lower cost end mortgages available from the Mass Housing Partnership, MassHousing, and conventional lenders.

Near all of the direct subsidy programs function on a competitive funding basis. Given the town's active initiation of the project and their contribution of land, the consultant considers the project competitive for funding as laid out in the Pro forma assumptions. In terms of planning, the project should not rely on state or federal subsidy programs for more than \$50,000 per 80 percent unit up to a maximum of \$1 million.

With most of these state and federal subsidy programs, the Town may negotiate for a local preference on up to 80 percent of the subsidized units. For units relying solely on CPA funds, the Town may seek a 100 percent local preference.

All of the state and federal funding sources will require long-term covenants restricting the re-sale price of the units they subsidize. In other communities, these covenants have included a range of provisions such as a land lease (where the building value appreciates but the land value remains with the unit); a cap on resale indexed to the Consumer Price Index or to changes in HUD's median household income; or a ratio of the initial appraised value to purchase price that gets applied to any subsequent appraised value at the time of resale.

V. Recommended Critical Path & Timeline for Pursuing Development of the Lowry Property

It is the consultant's overall recommendation that the town pursue the development of the Lowry Property as a means of addressing the Master Plan's affordable housing goals for homeownership. The following outlines a number of critical steps in the process of bringing this opportunity to the community for their decision, and - providing the Town chooses to move forward - moving forward with development. Appendix E places these critical path items on a representative timeline. The following highlights some of the key action steps needed.

Step 1: Identify the Key Steering Committee for the Town

In order to move this project through a relatively complex state and local approval process, the Town should designate a small but representative group of local officials and citizens to help direct the process. Their key roles will include: 1) initiating the process of gathering a community consensus to develop the property for housing; 2) hiring the development entity that will create the housing; and 3) overseeing the work of that entity to insure that the project that evolves meets the needs of the community.

Step 2: Perform Preliminary Design and Engineering Work

The CPA Committee has awarded the Williamstown Housing Authority \$20,000 to further explore the design and engineering challenges of this site, and to facilitate a community dialogue needed to bring the property before the Conservation Commission and Town Meeting for their approval to develop the property. The Steering Committee should assist the Housing Authority in preparing an RFP to address these needs and getting the work started this Spring, provided Town Meeting authorizes this funding.

Step 3: Identify an Alternative Conservation Site

Central to the Conservation Commission's concerns is the desire to identify and acquire land to replace the Lowry Property as conservation and recreational land. With an equivalent property, it is the consultant's view that the Commission will be better able to support the community's housing goals. The consultant recommends that the Steering Committee actively request the assistance of the Rural Lands Foundation and other conservation groups in the community to identify this alternative conservation site. Equally important, it is the consultant's view that the initial desire of the Housing Subcommittee to retain half of the Lowry Property as conservation land may be a serious constraint to its optimal development as housing. Discussions with the Conservation Commission's Chair suggest that the Commission does not feel that the parcel can retain

its conservation value if development “chops up” the site; and it is very likely that the most feasible development will do just that. Finding an alternative site which has its own integrity as conservation land may prove a much more effective strategy than trying to force the Lowry property to serve two masters. This does not mean, however, that the Lowry Property not continue to develop within a cluster format that includes open space; it is just that the open space would serve the housing development, not the conservation mission.

Step 4: Hold Two Public Meetings Jointly with the Conservation Commission

The Conservation Commission wants to hear from the community that using the Lowry Property for housing represents the community’s real wishes. The Steering Committee should arrange at least two public hearings jointly with the Conservation Commission as partners rather than adversaries in this process. Assuring that advocates for the housing need speak at these forums represents a key Steering Committee task. The consultant hired to work on the preliminary design and community input work may wish to facilitate these public meetings. The preliminary design and engineering work should precede these meetings in order to provide better information for the public attending.

Step 5: Identify key mix between number of units and income levels to serve

In addition to gathering a general consensus to develop the Lowry Property, the work of the public meetings and preliminary design and community input tasks should help identify the optimal mix between number of units and income levels to serve. Will there be more support for a lower density development with fewer affordable units or a higher density with a higher percentage and number of affordable units? One of the consultant’s key tasks will be to provide the Steering Committee with the financial back up needed to explain the necessary trade-offs between cost and affordability. This task will also help determine whether to pursue a friendly 40B process or whether to develop the property within existing zoning

Step 6: Bring the Issue to a Vote of the Conservation Commission

Prior to selecting a developer willing to work with the Steering Committee, the project needs to pass the initial hurdle of Conservation Commission approval. This should follow the public meetings. The preliminary design work should inform the discussion but not constrain the development of the project too early in the process. The vote should be to allow for development of the property provided it passes all of the other hurdles including Town Meeting vote, legislative approval, L.I.P. approval from the Board of Selectman, permit approval from the Planning Board or ZBA, and financial

approvals as needed from subsidy providers and lenders. Unless all of these hurdles are successfully passed, the property should revert to the Conservation Commission's purview.

Step 7: Select a Developer

Based on the work of the preliminary design consultants and the public meetings, the Steering Committee should set the parameters for development of the property. These parameters will include levels of affordability, minimum and maximum units, design and construction preferences, and other issues central to gaining the support of the community for this project. The Steering Committee should work with the consultant to insure that the parameters do not negatively impact the financial feasibility of the project and serve to encourage developer participation. Once completed, the RFP should go to the Board of Selectmen for approval, as this group will ultimately need to support a LIP initiative. The consultant should provide the Steering Committee with outreach assistance. Town counsel will need to get involved to insure that the RFP and subsequent disposition of the property meet the state's public procurement requirements.

Step 8: Initiate a LIP Application

Once the developer has been selected, the Steering Committee should work with this partner to initiate a Local Initiative Program application to the Board of Selectmen. The LIP will identify the key financial parameters of the development and will allow the project to get DHCD's approval for eligibility as a Comprehensive Permit if needed. More importantly it provides additional momentum for a positive vote from Town Meeting to use the property as housing. Alternatively, the Town itself may initiate the LIP on its own as part of the preparation for selecting the development partner.

Step 9: Get Town Meeting Approval

Prior to submitting a specific development proposal, the selected developer will need the assurance that he or she can get access to the property for development. Town Meeting authorization is an essential step. At this point, the Steering Committee will work with the prospective developer to insure passage of the necessary warrant articles. Depending on timing and the capacity of the prospective developer, the request for Town Meeting approval may include a schematic design plan of the prospective development. A key strategic question is whether to seek a single two-thirds vote initially by transferring ownership directly to an entity other than the town, or to seek an initial majority vote authorizing the use of the property for affordable housing. Town Meeting would then have to approve the final sale or transfer of the property by a two-thirds vote

at a later date. The Steering Committee would likely need to seek legal counsel on the process of transfer and the Town's ability to offer the land for less than its true value.

Step 10: Get Necessary State Legislation to Remove Property from Conservation Restrictions

Once Town Meeting approves the disposition of the property, the town needs to draft the necessary articles and request the local legislative delegation to introduce legislation needed to remove the state's conservation restrictions.

Step 11: Submit for Permits

As soon as Town Meeting gives its okay, the developer should prepare plans for development of the property. If the project goes forward as a Chapter 40B 'friendly' Comprehensive Permit, DHCD's L.I.P. Authorization will be needed. This is a project that will almost certainly face local opposition, an opposition that will have had substantial notice and opportunity to organize. The consultant expects that any local permit may be appealed by abutters. This could delay development by as much as two years. The permitting process therefore represents an essential stage in the process, one where the active support of the Steering Committee in maintaining community support will prove essential.

Step 12: Secure Financial Commitments

The task of securing the necessary subsidies and financing commitment will fall to the developer, who will benefit from the continued support of the Steering Committee and Town. This is particularly true as it involves Community Preservation Act and/or Community Development Fund grants.

VI. Other Development Opportunities

Pursuing the possible development of the Lowry Property represents only one of the approaches identified in the Master Plan's housing recommendations. This consultant provided a preliminary assessment of three complementary approaches to addressing the Town's affordable housing goals over the next decade. It is the consultant's view that, along with the Lowry Property, these additional approaches provide the Town with the most flexibility in terms of pro-actively addressing the identified housing needs in the community.

1. Photech Mill Site

The Town owns the 9.9-acre Photech Mill site located along both banks of the Hoosic River on Cole Avenue, less than a mile north of the town center. The property includes existing structures totaling 431,244 square feet of space. The site, which is located in the Town's Limited Industrial Zone, has market potential for a variety of mixed-uses, including rental or condominium housing for seniors or non-seniors, office, commercial, or even light manufacturing. The key questions surrounding this site include:

- How much, if any, of the existing structures should be rehabilitated?
- If the buildings are razed how much development can actually occur within the limits of riverfront development?
- What is the mix of uses that will make the most marketing and financial sense?

The Williamstown Master Plan recommends that "The Photech Mill site be evaluated as a possible location for affordable/ assisted rental housing as a component of a larger mixed-use redevelopment strategy for that site...." The conceptual drawings provided with the plan suggest mixed residential and office or light manufacturing, suitable for 50 to 70 units of which 50 percent is affordable family rentals and 50 percent affordable senior housing.

The main structure on the site is a rambling brick structure, encompassing over 400,000 square feet of space on the south side of the river. The structure includes many additions built over several generations. Much of the building, including the historic core of the mill, has experienced substantial structural damage, largely from water incursion. There is considerable question about whether any of the existing structure can or should be preserved. Moreover, there is a clear recognition that market demand would not be sufficient to utilize all of the square footage available in this structure.

Local developer, Dave Carver suggested that the brick façade of the main historic mill could be saved by building a new structure within the existing shell of the building.

Carver said that his company, Scarafoni Associates, performed a similar rehabilitation at the Newberry Building in North Adams. This approach would preserve the historic façade and, as important, allow for development nearer to the river than would likely be permitted as new construction. Several of the latter additions further from the river and Cole Avenue could then be razed to provide a mix of new construction. Looking at the marketing and cost issues associated with rehabbing such a large shell, Carver suggested using a portion of the main floor as covered parking. In all, Carver thought the site could accommodate a roughly 50-unit mix of rentals and condominiums, with some additional retail or restaurant space.

As with the Lowry Property, the Photech Mill site provides both opportunities and challenges. The consultant recommends the following actions for further examining the development feasibility of this site:

- Form an Affordable Housing Steering Committee to forward the Lowry Property initiative (Step 1 above) and empower it to additionally collect data regarding the development feasibility of the Photech Mill site.
- Review the Rivers Protection Act to determine the extent of development allowed at the site if it were razed of existing structures.
- Invite local and regional developers skilled in total rehabilitation of historic structures to evaluate the property with the Steering Committee and suggest strategies for development.
- Request additional CPA funding to perform preliminary design and engineering work on this site, to facilitate a community process of identifying optimal development components, and to assess the marketing and financial feasibility of development on this parcel (just as has been approved for the Lowry Property).
- Based on this information, determine an optimal development approach and submit a Request for Proposals from the private development community to develop the property.

2. Housing Rehabilitation Loans in Cole Avenue Area

Just south of the Photech Mill site and east of Cole Avenue is a several block area of modest older homes. This neighborhood appears to have the highest concentration of the Town's lowest cost homes as well as homes that could most clearly benefit from façade, weatherization, lead paint abatement, and structural rehabilitation. The consultant recommends working with a local non-profit housing entity such as the North County CDC or Berkshire Housing Development Corporation, to develop a program of low-interest rehabilitation loans to existing low and moderate-income residents focused in this

neighborhood. This program should include provisions to package acquisition and rehabilitation loans for qualified first-time buyers. Such programs are being successfully administered throughout the Commonwealth utilizing the array of funding and lending sources identified in Appendix D. The twin benefits of this approach is that it 1) makes use of the existing stock of lower cost homes to address the need for affordable housing; and 2) it improves the overall stock of housing in the community. According to local officials, older residents own a significant share of the homes in greatest need of repair. The concurrent development of age-appropriate, ownership or rental housing for seniors at either the Photech, Carol Cable or Lowry property sites may help free up these older homes for purchase and rehab by first time buyers.

3. Identification of Smaller Town-owned Scattered Site Options

The consultant recommends that the Town assess the development potential of its inventory of town-owned parcels to determine if one or more other existing properties could be utilized as scattered site housing. This inventory would need to evaluate alternative municipal uses, access to appropriate infrastructure, and adherence to existing zoning requirements before determining if a given parcel could be sold or donated for housing use. Provided that the town's inventory included developable parcels, the Town should prepare a Request for Qualifications to attract a potential development partner willing to provide affordable homeownership or rental housing on these sites.

Appendices

- Appendix A Lowry Property: Key Baseline Maps
- Appendix B Housing Section of the Williamstown Master Plan
- Appendix C Lowry Development: Representative Sources and Uses
- Appendix D Key Sources of Public Funding
- Appendix E Lowry Development: Critical Path and Representative Timeline

Appendix A

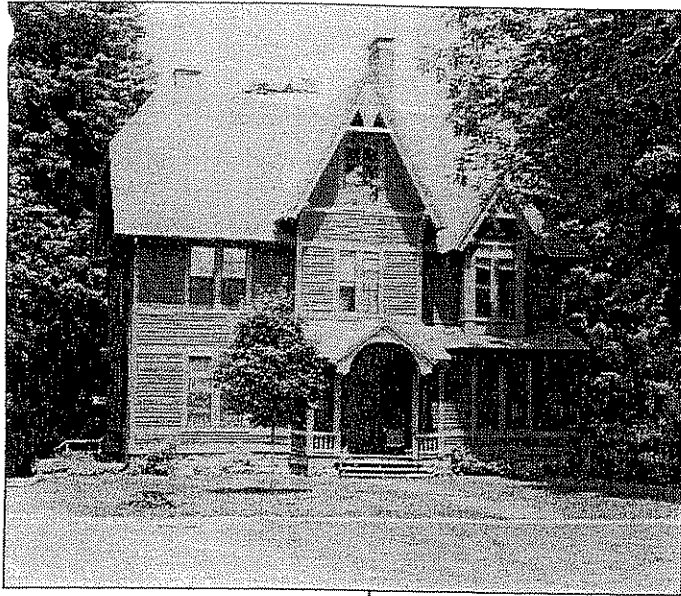
Lowry Property: Key Baseline Maps

- **Perimeter Survey**
- **Zoning Map**

[Provided with Original]

Appendix B

Housing Section of the Williamstown Master Plan



The late 19th Century saw the arrival of Victorian homes throughout Williamstown. Many have recently been restored.

Housing

Vision Statement

Williamstown is changing because of its transformation to a service dominated economy and its attractiveness to retirees and second homeowners. The town-wide survey revealed an unmet need for affordable starter housing and moderately priced homes.

We need to expand the availability of affordable housing for first-time home buyers, young families, moderate income families, single people, people with handicaps, retirees and the elderly.

Consideration should be given in locating new housing to make efficient use of public services, such as transportation and water and sewer lines.

As we increase our housing stock, we want to preserve historic structures to maintain the architectural character of the town and its links to the past.

Research Findings and Assessments

Research Findings

The following excerpts are from the RKG Associates report, "Housing Element," dated September 2002:

- Because of changing economic conditions and its attractiveness to retirees and second home owners, Williamstown is experiencing increasing residential property values and demands for housing at all income levels. This is making it more difficult for renters and prospective homeowners in lower and mid-range income levels to find suitable and affordable housing.
- Because other communities are facing similar difficulties in expanding housing stock, Williamstown cannot rely on the surrounding region to satisfy housing demands that may be created by growth in employment.
- Housing needs must be evaluated in the context of Williamstown's relatively small resident population and its location in a "slow growth" region. Consequently, current and future housing needs may be relatively modest in terms of total numbers.

- The number of housing units constructed each decade has steadily declined since the 1970s.
- The private sector does not appear to be meeting regional needs for new construction, particularly in market rate rentals and low- to mid-priced single-family homes.
- Local employers report that limited housing choices have hurt their ability to recruit workers, and that increasing numbers of people who work in Williamstown are moving to other more affordable communities.
- Due in part to the limited turnover of existing housing and the comparatively high cost of housing, a relatively small number of younger households are moving into the community. This demographic trend could influence future service demands for the elderly, school enrollments and business recruitment efforts.
- The unusually wide range of real estate values in Williamstown and a growing income disparity within the community are viewed as concerns among some segments of the community.
- Because new housing construction in Williamstown has been so limited, acquisitions of land, homes or rental properties by institutions have had an impact on the overall supply and availability of resale housing for the broader market.
- Despite the rapidly rising real estate values, there are still isolated pockets of housing in need of rehabilitation. Many of these units are within or near commercial corridors that are also in need of reinvestment. There are also potential redevelopment sites that can support new housing as part of an overall revitalization strategy.
- Because real estate values in Williamstown are substantially higher than regional averages, issues of housing availability, affordability and choice are more pressing than in some nearby communities.
- Homes built in Williamstown over the past five years have an average lot size of more than five acres and an average assessed value of more than \$350,000. The absence of lower-cost new construction is due in part to a shortage of locations near existing utilities that could accommodate construction on smaller lots which is a function of sub-division regulations.

Household Statistics

- Based on the State's definition of low, moderate and middle-income households (50, 80 and 150% respectively of area wide median household income which is \$39,100 for Berkshire County), an estimated 1,040 or 38% of Williamstown's households would be considered low and moderate income. However, median household income in Williamstown is \$51,900 which, using the above definitions, translates to approximately 1,570 or approximately 57%.
- The median estimated housing value of owner-occupied (year round) reported by residents was \$168,400.
- Housing is generally considered to be affordable when households spend no more than 30% of their gross income on housing costs (mortgage, insurance, utilities, property taxes, condominium fees). More than 82% of Williamstown homeowners reported spending less than the 30% threshold in 1999. A similar measure of affordability applies to rental housing (gross rent includes heat, utilities and other costs not included in the actual contract rent), and approximately 74% of Williamstown renters reported spending less than the 30% threshold.
- Households earning less than \$35,000 per year could be classified as either low or moderate income (using the 50 and 80% of the median income definition noted above). In Williamstown, roughly 320 homeowner and 400 renter households fell within this category in 1999. Within these groups, an estimated 128 homeowners and 162 renters paid more than 30% of their monthly income on housing costs.
- Approximately 8% of Williamstown's households, including 5.9% of the town's homeowners and nearly 14 % of all renters, earned incomes below the poverty level in 1999. The 222 households living in poverty were fairly equally split between homeowners (54% of the total) and renters (46%). Roughly 35% of all households in poverty were headed by persons over age 65 (including 69 homeowners and 9 renters). The elderly make up the majority of the town's homeowners who lived in poverty in 1999 (58%), while the vast majority of non-elderly poor are renters.
- A full 15 % of the town's population over age 5 possessed a disability of some kind in 1999, an indicator of persons with a potential need for modified or accessible housing. Of the town's total population with disabilities, roughly 43 % were over age 65 while 50% were non-elderly adults and the remaining 7 % were under the age of 18.
- Williamstown is about 164 units short of the 292 subsidized housing units needed to satisfy the 10% goal established by Chapter 40B. This need could be met by providing a mix of affordable/assisted rental units.

- There is an estimated immediate local demand among non-elderly low, moderate and middle-income renters for roughly 65 affordable ownership units (single-family starter homes and condominiums).
- It is estimated that there is an existing need among 70 local households which could be accommodated by reasonably priced market rate rental housing.
- While there is an estimated existing need for approximately 350 units of housing for low, moderate and middle-income residents (including a mix of assisted family rentals, affordable ownership, elderly housing units and market rate rentals), the need does not necessarily translate to an adequate market to immediately absorb the additional housing units. The *maximum potential absorption* over the course of the next decade, and a reasonable goal, is estimated to be 190 to 225 units (55-65% of Williamstown's estimated current need).
- The location of additional market rate housing units within walking distance of the Spring and Water Street corridors will be an important strategy to encourage commercial expansion within the village center. The Carol Cable property and nearby sections of Water Street appear to possess the greatest potential to support market rate multi-family housing, including rental and condominium units.

Assessments

- It is important to make significant short- and long-range progress toward meeting the State's "fair share" standard for affordable/assisted housing units.
- It is important to identify locations where lower cost housing might be built in quantities consistent with overall housing needs, compatible with community preservation goals and which does not adversely impact existing neighborhoods.
- It is important to rehabilitate and redevelop priority neighborhoods and sites to meet housing needs.
- It is important to provide for a sufficient level housing growth and diversity to maintain stable public service demands and enable low, moderate and middle-income residents to remain in the community.
- It is important to encourage and work with local institutions to provide for their future housing needs through new construction or adaptive reuse, rather than acquisition of existing properties.

Housing Recommendations

The Master Plan Steering Committee recommends that . . .

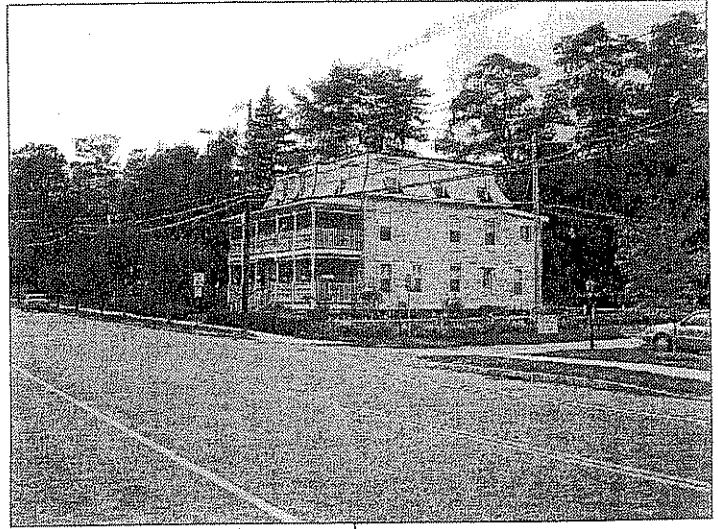
- 1) Town officials encourage the development of market rate rental housing and condominiums within the Carol Cable Mill and surrounding Water/Spring Street areas as part of a mixed-use redevelopment strategy. Any redevelopment plan for the site should include a housing component preferably including no less than 25% devoted to affordable housing (defined as low, moderate and middle income households, with low: up to 50% of area-wide median income; moderate: 51 — 80%; middle: 81 — 150%). Median 2000 household income for Williamstown per the 2000 census was \$51,875 (*See 'Potential Housing Suitability Areas' map*)
- 2) The Photech Mill site be evaluated as a possible location for affordable/assisted rental housing as a component of a larger mixed-use redevelopment strategy for that site, and target the surrounding Cole Avenue neighborhood for housing rehabilitation.
- 3) The Planning Board review and redraft bylaws to encourage infill/higher density housing in the town center.
- 4) A goal be established to create 100 units of new housing over the next ten years (including rental units) that is affordable to people at various income levels – single family units priced in the ranges of \$150,000 to \$225,000 and \$200,000 to \$400,000.
- 5) A portion of the Lowry property be used to address the town's range of housing needs while setting aside a significant portion of the property for open space. (*See attached 'Lowry Property Conceptual Housing Plan'*)
- 6) Town officials publicize and encourage owners of substandard housing to seek available State grants and low interest loans to improve properties.
- 7) Williams College be encouraged to meet future faculty-staff housing needs through new construction and adaptive reuse, rather than the acquisition of existing housing.

Housing — Summary

Apart from new single-family homes averaging \$350,000 on five-acre lots, there has been little recent housing growth in Williamstown. Surveys show a potential need for some 350 units of housing that are affordable or about 190 to 225 over the next 10 years.

At least 100 housing units should be created over the next decade through

zoning bylaw changes to encourage infill housing in the town center, rehabilitation of substandard dwellings, mixed use redevelopment of the Carol Cable and Photech mill properties and incentives for private development of portions of the town-owned Lowry property.



Many century-old homes on Cole Avenue have been brought back to their original beauty.

Appendix C

Lowry Development: Representative Sources and Uses

Appendix C-1

Lowry Property Development Pro Forma Affordability Analysis

HUD Household Income by Family Size (Berkshire County FY 2002)

	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons
80% of Median	\$36,150	\$40,700	\$45,200	\$48,800	\$54,650
100% of Median	\$45,200	\$50,900	\$56,500	\$61,000	\$68,300
150% of Median	\$67,800	\$76,350	\$84,750	\$91,500	\$102,450

Suggested Home Prices

	Two Bedroom	Three Bedroom	Four Bedroom
80% of Median	\$130,000	\$145,000	\$160,000
100% of Median	\$160,000	\$185,000	\$200,000
150% of Median	\$200,000	\$255,000	\$275,000

Maximum Home Prices Allowed Given Household Income

	Two Bedroom	Three Bedroom	Four Bedroom
80% of Median	\$133,882	\$148,684	\$160,526
100% of Median	\$167,434	\$185,855	\$200,658
150% of Median	\$251,151	\$278,783	\$300,987

Maximum Eligible Income by Bedroom Size

	Two Bedroom	Three Bedroom	Four Bedroom
80% of Median	\$40,700	\$47,000	\$54,650
100% of Median	\$50,900	\$58,750	\$68,300
150% of Median	\$76,350	\$88,125	\$102,450

Income Needed to Support Monthly Payments at Proposed Pricing

	Two Bedroom	Three Bedroom	Four Bedroom
80% of Median	\$40,040	\$44,660	\$49,280
100% of Median	\$49,280	\$56,980	\$61,600
150% of Median	\$61,600	\$78,540	\$84,700

Monthly Payment Needed at Proposed Pricing

Assuming 5% Downpayment

	Two Bedroom	Three Bedroom	Four Bedroom
80% of Median	\$1,001	\$1,117	\$1,232
100% of Median	\$1,232	\$1,425	\$1,540
150% of Median	\$1,540	\$1,964	\$2,118

Assumptions

1. Qualifying Housing Ratio: 30 percent of Gross Income
2. Mortgage Term and Rate: 30-year fixed rate @ 6.0 percent
3. Mortgage Amount: 95 percent
4. Taxes, PMI & Insurance: 0.2% of purchase price monthly
5. HUD Standard is to presume 1.5 persons per separate bedroom.

Lowry Property Development Pro Forma

Sources & Uses of Funds

48 UNITS/ HOMEOWNERSHIP

Stick Built Construction

	UNITS	SQUARE FEET	TOTAL REVENUE/ COST	\$/ UNIT	\$/SF	% of REVENUE
SOURCES OF FUNDS						
Two Bedroom Units						
<80 Percent*	6	1120	\$ 780,000	\$ 130,000	\$ 116.07	6.5%
80-99 Percent Units	4	1120	\$ 640,000	\$ 160,000	\$ 142.86	5.4%
100-150 Percent Units	0	1120	\$ -	\$ 200,000	\$ 178.57	0.0%
Three Bedroom Units						
<80 Percent*	6	1536	\$ 870,000	\$ 145,000	\$ 94.40	7.3%
80-99 Percent Units	2	1536	\$ 370,000	\$ 185,000	\$ 120.44	3.1%
100-150 Percent Units	18	1536	\$ 4,590,000	\$ 255,000	\$ 166.02	38.5%
Four Bedroom Units						
<80 Percent*	0	2012	\$ -	\$ 160,000	\$ 94.40	0.0%
80-99 Percent Units	0	2012	\$ -	\$ 200,000	\$ 117.99	0.0%
100-150 Percent Units	12	2012	\$ 3,300,000	\$ 275,000	\$ 162.24	27.7%
Total Unit Sales			\$ 10,550,000	\$ 219,792	\$ 140.14	88.4%
Likely Subsidy Funds for 80% Units	12		\$ 600,000	\$ 50,000	\$ 37.65	5.0%
CPA/ Other Subsidy Funds Needed			\$ 779,780	\$ 16,245	\$ 10.36	6.5%
TOTAL SOURCES OF FUNDS	48	1568	\$ 11,929,780	\$ 248,537	\$ 158.47	100.0%

USES OF FUNDS						
Hard Costs						
Land and Easements			\$ -	\$ -	\$ -	0.0%
Roads, Utilities & Paving			\$ 700,000	\$ 14,583	\$ 9.30	5.9%
Grading & Landscaping			\$ 288,000	\$ 6,000	\$ 3.83	2.4%
Two Bedroom Construction	10	1120	\$ 1,344,000	\$ 134,400	\$ 120.00	11.3%
Three Bedroom Construction	26	1536	\$ 4,592,640	\$ 176,640	\$ 115.00	38.5%
Four Bedroom Construction	12	2012	\$ 2,540,160	\$ 211,680	\$ 105.00	21.3%
SUB-TOTAL HARD COSTS			\$ 9,464,800	\$ 197,183	\$ 125.73	79.3%
Soft Costs						
Administration			\$ 48,000	\$ 1,000	\$ 0.64	0.4%
Architecture & Engineering			\$ 473,240	\$ 9,859	\$ 6.29	4.0%
Financing Fees & Interest			\$ 120,000	\$ 2,500	\$ 1.59	1.0%
Legal & Accounting			\$ 48,000	\$ 1,000	\$ 0.64	0.4%
Marketing			\$ 263,750	\$ 5,495	\$ 3.50	2.2%
Permits & Hook Up Fees			\$ 48,000	\$ 1,000	\$ 0.64	0.4%
Project Mgmt and Consultants			\$ 422,000	\$ 8,792	\$ 5.61	3.5%
Recording Fees, Tax Stamps & Taxes			\$ 72,000	\$ 1,500	\$ 0.96	0.6%
SUB-TOTAL SOFT COSTS			\$ 1,494,990	\$ 31,146	\$ 19.86	12.5%
Contingency & Developer's Fee						
Soft Cost Contingency			\$ 74,750	\$ 1,557	\$ 0.99	0.6%
Hard Cost Contingency			\$ 473,240	\$ 9,859	\$ 6.29	4.0%
Development Fee			\$ 422,000	\$ 8,792	\$ 5.61	3.5%
SUB-TOTAL CONTINGENCY & FEE			\$ 969,990	\$ 20,208	\$ 12.89	8.1%
TOTAL USES OF FUNDS			\$ 11,929,780	\$ 248,537	\$ 158.47	100.0%

Lowry Property Development Pro Forma

Sources & Uses of Funds

48 UNITS/ HOMEOWNERSHIP

Modular Construction

	UNITS	SQUARE FEET	TOTAL REVENUE/ COST	\$/ UNIT	\$/SF	% of REVENUE
SOURCES OF FUNDS						
Two Bedroom Units						
<80 Percent*	0	1120	\$ -	\$ 130,000	\$ 116.07	0.0%
80-99 Percent Units	0	1120	\$ -	\$ 160,000	\$ 142.86	0.0%
100-150 Percent Units	0	1120	\$ -	\$ 200,000	\$ 178.57	0.0%
Three Bedroom Units						
<80 Percent*	15	1536	\$ 2,175,000	\$ 145,000	\$ 94.40	21.3%
80-99 Percent Units	12	1536	\$ 2,220,000	\$ 185,000	\$ 120.44	21.8%
100-150 Percent Units	9	1536	\$ 2,295,000	\$ 255,000	\$ 166.02	22.5%
Four Bedroom Units						
<80 Percent*	4	2012	\$ 640,000	\$ 160,000	\$ 94.40	6.3%
80-99 Percent Units	4	2012	\$ 800,000	\$ 200,000	\$ 117.99	7.8%
100-150 Percent Units	4	2012	\$ 1,100,000	\$ 275,000	\$ 162.24	10.8%
Total Unit Sales			\$ 9,230,000	\$ 192,292	\$ 116.19	90.5%
Likely Subsidy Funds for 80% Units	19		\$ 950,000	\$ 50,000	\$ 30.21	9.3%
CPA/ Other Subsidy Funds Needed			\$ 15,056	\$ 314	\$ 0.19	0.1%
TOTAL SOURCES OF FUNDS	48	1655	\$ 10,195,056	\$ 192,605	\$ 116.38	100.0%

USES OF FUNDS						
Hard Costs						
Land and Easements			\$ -	\$ -	\$ -	0.0%
Roads, Utilities & Paving			\$ 700,000	\$ 14,583	\$ 8.81	6.9%
Grading & Landscaping			\$ 288,000	\$ 6,000	\$ 3.63	2.8%
Two Bedroom Construction	0	1120	\$ -	\$ 106,400	\$ 95.00	0.0%
Three Bedroom Construction	36	1536	\$ 4,976,640	\$ 138,240	\$ 90.00	48.8%
Four Bedroom Construction	12	2012	\$ 2,056,320	\$ 171,360	\$ 85.00	20.2%
SUB-TOTAL HARD COSTS			\$ 8,020,960	\$ 167,103	\$ 100.97	78.7%
Soft Costs						
Administration			\$ 48,000	\$ 1,000	\$ 0.60	0.5%
Architecture & Engineering			\$ 401,048	\$ 8,355	\$ 5.05	3.9%
Financing Fees & Interest			\$ 120,000	\$ 2,500	\$ 1.51	1.2%
Legal & Accounting			\$ 48,000	\$ 1,000	\$ 0.60	0.5%
Marketing			\$ 230,750	\$ 4,807	\$ 2.90	2.3%
Permits & Hook Up Fees			\$ 48,000	\$ 1,000	\$ 0.60	0.5%
Project Mgmt and Consultants			\$ 369,200	\$ 7,692	\$ 4.65	3.6%
Recording Fees, Tax Stamps & Taxes			\$ 72,000	\$ 1,500	\$ 0.91	0.7%
SUB-TOTAL SOFT COSTS			\$ 1,336,998	\$ 27,854	\$ 16.83	13.1%
Contingency & Developer's Fee						
Soft Cost Contingency			\$ 66,850	\$ 1,393	\$ 0.84	0.7%
Hard Cost Contingency			\$ 401,048	\$ 8,355	\$ 5.05	3.9%
Development Fee			\$ 369,200	\$ 7,692	\$ 4.65	3.6%
SUB-TOTAL CONTINGENCY & FEE			\$ 837,098	\$ 17,440	\$ 10.54	8.2%
TOTAL USES OF FUNDS			\$ 10,195,056	\$ 212,397	\$ 128.34	100.0%

Lowry Property Development Pro Forma

Sources & Uses of Funds

72 UNITS/ HOMEOWNERSHIP
Stick Built Construction

	UNITS	SQUARE FEET	TOTAL REVENUE/ COST	\$/ UNIT	\$/SF	% of REVENUE
SOURCES OF FUNDS						
Two Bedroom Units						
<80 Percent*						
80-99 Percent Units	8	1120	\$ 1,040,000	\$ 130,000	\$ 116.07	6.4%
100-150 Percent Units	8	1120	\$ 1,280,000	\$ 160,000	\$ 142.86	7.9%
Three Bedroom Units						
<80 Percent*						
80-99 Percent Units	10	1536	\$ 1,450,000	\$ 145,000	\$ 94.40	9.0%
100-150 Percent Units	4	1536	\$ 740,000	\$ 185,000	\$ 120.44	4.6%
Four Bedroom Units						
<80 Percent*						
80-99 Percent Units	0		\$ -	\$ 160,000	\$ 94.40	0.0%
100-150 Percent Units	0		\$ -	\$ 200,000	\$ 117.99	0.0%
	12	2012	\$ 3,300,000	\$ 275,000	\$ 162.24	20.4%
Total Unit Sales			\$ 15,020,000	\$ 208,611	\$ 141.27	92.8%
Likely Subsidy Funds for 80% Units	18		\$ 900,000	\$ 50,000	\$ 33.86	5.6%
CPA/ Other Subsidy Funds Needed			\$ 264,383	\$ 3,672	\$ 2.49	1.6%
TOTAL SOURCES OF FUNDS	72	1477	\$ 16,184,383	\$ 224,783	\$ 152.22	100.0%

USES OF FUNDS						
Hard Costs						
Land and Easements			\$ -	\$ -	\$ -	0.0%
Roads, Utilities & Paving			\$ 700,000	\$ 9,722	\$ 6.58	4.3%
Grading & Landscaping			\$ 432,000	\$ 6,000	\$ 4.06	2.7%
Two Bedroom Construction	24	1120	\$ 3,091,200	\$ 128,800	\$ 115.00	19.1%
Three Bedroom Construction	36	1536	\$ 6,082,560	\$ 168,960	\$ 110.00	37.6%
Four Bedroom Construction	12	2012	\$ 2,419,200	\$ 201,600	\$ 100.00	14.9%
SUB-TOTAL HARD COSTS			\$ 12,724,960	\$ 176,736	\$ 119.69	78.6%
Soft Costs						
Administration			\$ 72,000	\$ 1,000	\$ 0.68	0.4%
Architecture & Engineering			\$ 636,248	\$ 8,837	\$ 5.98	3.9%
Financing Fees & Interest			\$ 180,000	\$ 2,500	\$ 1.69	1.1%
Legal & Accounting			\$ 72,000	\$ 1,000	\$ 0.68	0.4%
Marketing			\$ 375,500	\$ 5,215	\$ 3.53	2.3%
Permits & Hook Up Fees			\$ 72,000	\$ 1,000	\$ 0.68	0.4%
Project Mgmt and Consultants			\$ 600,800	\$ 8,344	\$ 5.65	3.7%
Recording Fees, Tax Stamps & Taxes			\$ 108,000	\$ 1,500	\$ 1.02	0.7%
SUB-TOTAL SOFT COSTS			\$ 2,116,548	\$ 29,397	\$ 19.91	13.1%
Contingency & Developer's Fee						
Soft Cost Contingency			\$ 105,827	\$ 1,470	\$ 1.00	0.7%
Hard Cost Contingency			\$ 636,248	\$ 8,837	\$ 5.98	3.9%
Development Fee			\$ 600,800	\$ 8,344	\$ 5.65	3.7%
SUB-TOTAL CONTINGENCY & FEE			\$ 1,342,875	\$ 18,651	\$ 12.63	8.3%
TOTAL USES OF FUNDS			\$ 16,184,383	\$ 224,783	\$ 152.22	100.0%

Lowry Property Development Pro Forma

Sources & Uses of Funds

72 UNITS/ HOMEOWNERSHIP

Modular Construction

	UNITS	SQUARE FEET	TOTAL REVENUE/ COST	\$/ UNIT	\$/SF	% of REVENUE
SOURCES OF FUNDS						
Two Bedroom Units						
<80 Percent*	8	1120	\$ 1,040,000	\$ 130,000	\$ 116.07	7.4%
80-99 Percent Units	8	1120	\$ 1,280,000	\$ 160,000	\$ 142.86	9.1%
100-150 Percent Units	8	1120	\$ 1,600,000	\$ 200,000	\$ 178.57	11.4%
Three Bedroom Units						
<80 Percent*	12	1536	\$ 1,740,000	\$ 145,000	\$ 94.40	12.4%
80-99 Percent Units	12	1536	\$ 2,220,000	\$ 185,000	\$ 120.44	15.9%
100-150 Percent Units	6	1536	\$ 1,530,000	\$ 255,000	\$ 166.02	10.9%
Four Bedroom Units						
<80 Percent*	6	2012	\$ 960,000	\$ 160,000	\$ 94.40	6.9%
80-99 Percent Units	6	2012	\$ 1,200,000	\$ 200,000	\$ 117.99	8.6%
100-150 Percent Units	6	2012	\$ 1,650,000	\$ 275,000	\$ 162.24	11.8%
Total Unit Sales			\$ 13,220,000	\$ 183,611	\$ 121.09	94.5%
Likely Subsidy Funds for 80% Units	26		\$ 780,000	\$ 30,000	\$ 19.78	5.6%
CPA/ Other Subsidy Funds Needed			\$ (3,434)	\$ (48)	\$ (0.03)	0.0%
TOTAL SOURCES OF FUNDS	72	1516	\$ 13,996,566	\$ 194,397	\$ 128.20	100.0%

USES OF FUNDS						
Hard Costs						
Land and Easements			\$ -	\$ -	\$ -	0.0%
Roads, Utilities & Paving			\$ 700,000	\$ 9,722	\$ 6.41	5.0%
Grading & Landscaping			\$ 432,000	\$ 6,000	\$ 3.96	3.1%
Two Bedroom Construction	24	1120	\$ 2,553,600	\$ 106,400	\$ 95.00	18.2%
Three Bedroom Construction	30	1536	\$ 4,147,200	\$ 138,240	\$ 90.00	29.6%
Four Bedroom Construction	18	2012	\$ 3,084,480	\$ 171,360	\$ 85.00	22.0%
SUB-TOTAL HARD COSTS			\$ 10,917,280	\$ 151,629	\$ 100.00	78.0%
Soft Costs						
Administration			\$ 72,000	\$ 1,000	\$ 0.66	0.5%
Architecture & Engineering			\$ 545,864	\$ 7,581	\$ 5.00	3.9%
Financing Fees & Interest			\$ 180,000	\$ 2,500	\$ 1.65	1.3%
Legal & Accounting			\$ 72,000	\$ 1,000	\$ 0.66	0.5%
Marketing			\$ 330,500	\$ 4,590	\$ 3.03	2.4%
Permits & Hook Up Fees			\$ 72,000	\$ 1,000	\$ 0.66	0.5%
Project Mgmt and Consultants			\$ 528,800	\$ 7,344	\$ 4.84	3.8%
Recording Fees, Tax Stamps & Taxes			\$ 108,000	\$ 1,500	\$ 0.99	0.8%
SUB-TOTAL SOFT COSTS			\$ 1,909,164	\$ 26,516	\$ 17.49	13.6%
Contingency & Developer's Fee						
Soft Cost Contingency			\$ 95,458	\$ 1,326	\$ 0.87	0.7%
Hard Cost Contingency			\$ 545,864	\$ 7,581	\$ 5.00	3.9%
Development Fee			\$ 528,800	\$ 7,344	\$ 4.84	3.8%
SUB-TOTAL CONTINGENCY & FEE			\$ 1,170,122	\$ 16,252	\$ 10.72	8.4%
TAL USES OF FUNDS			\$ 13,996,566	\$ 194,397	\$ 128.20	100.0%

Appendix D

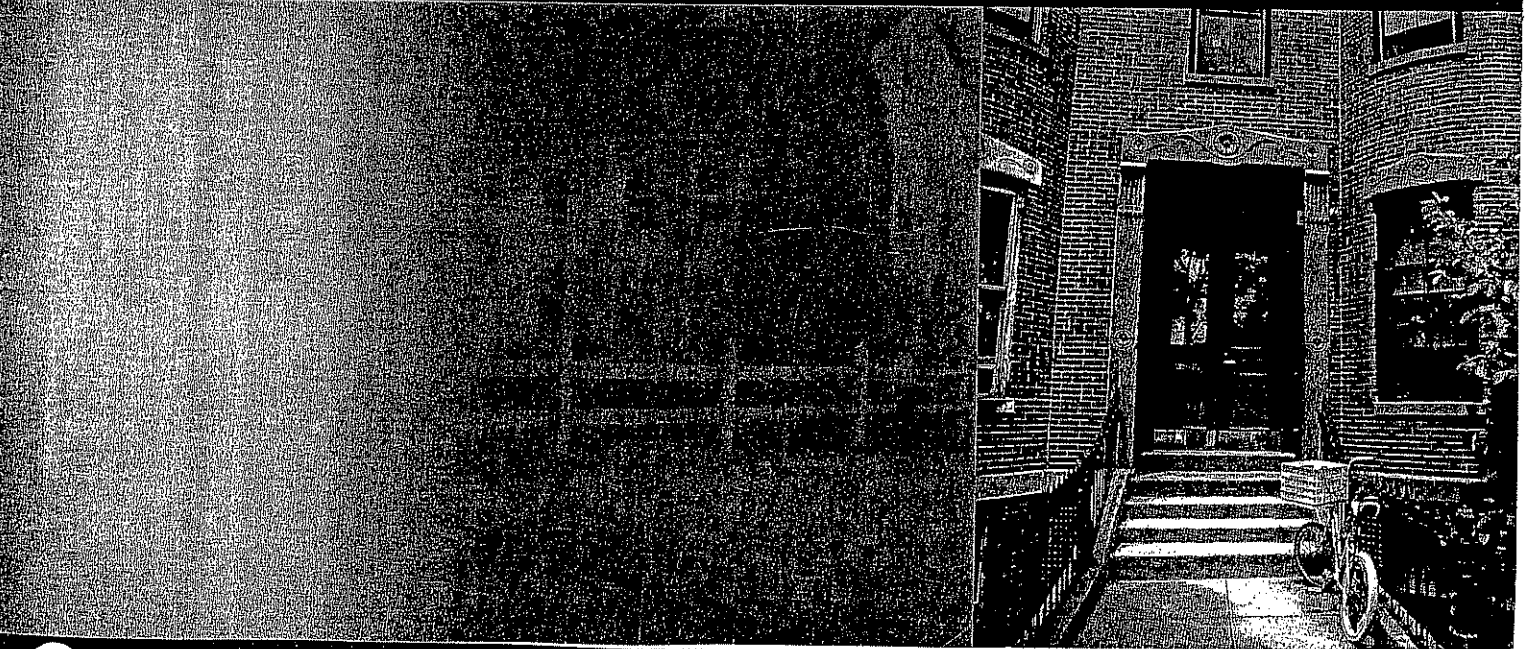
Key Sources of Public Funding

from Taking the Initiative Prepared by Citizen's Housing & Planning Association
(CHAPA) Boston, 2002

Taking the Initiative



Prepared by Citizens' Housing and Planning Association • With Funding from the Massachusetts Housing Partnership Fund



COMMON FUNDING SOURCES

PREDEVELOPMENT ACTIVITIES

Financing Tools

Massachusetts Housing Partnership Fund (MHP)

(617) 338-7868

TECHNICAL ASSISTANCE FUND

Eligible applicants are local housing partnerships, municipalities and nonprofit and for-profit developers. Assists affordable housing developers to quickly test project feasibility and answer predevelopment technical questions. The TA Fund will engage third party professionals, such as architects, engineers, and development consultants, on behalf of a community or developer. Repayment of the assistance is contingent on whether the project is developed. Application is simple, and response is prompt. Program provides up to \$3,000 of professional assistance.

40B TECHNICAL ASSISTANCE FUND

Eligible applicants are cities and towns reviewing comprehensive permits pursuant to Chapter 40B. Combines assistance from MHP staff with up to \$10,000 in third-party technical assistance to help cities and towns review comprehensive permit applications pursuant to MGL Chapter 40B. MHP acts as DHCD's agent in this capacity.

PREDEVELOPMENT FUND

Eligible applicants are local housing partnerships, municipalities and nonprofit and for-profit developers. Expedites the development of highly feasible low and moderate income housing projects by providing up to \$50,000 to bridge development costs prior to a construction loan closing. Projects must demonstrate a high degree of feasibility to be eligible for the Predevelopment Loan Fund.

DHCD Division of Municipal Development

(617) 727-7001

PEER TO PEER GRANT

Eligible applicants are municipalities or regional planning agencies. Small grants for short-term problem solving and technical assistance. Program works by matching a municipality with an official or employee from another community that has dealt with a similar challenge or issue. Typical grant is \$850 and covers 30 hours of technical assistance. Affordable housing issues are an eligible use of grant monies.

MassDevelopment

(800) 445-8030

PREDEVELOPMENT ASSISTANCE PROGRAM

Eligible applicants are municipalities and nonprofit and for-profit developers in targeted areas. Awards funds of up to \$25,000 to endeavors that generate economic benefits and/or job creation for a community or region.

BROWNFIELDS REDEVELOPMENT FUND

Eligible applicants are municipalities and nonprofit and for-profit developers. Site assessment awards of up to \$50,000 to eligible municipalities and for-profit and nonprofit developers for environmental analysis of potential redevelopment projects. Project must be located in an Economically Distressed Area (EDA). List of communities and map are available on MassDevelopment's website.

Community Economic Development Assistance Corporation
(617) 727-5944

PREDEVELOPMENT SEED FUNDING

Eligible applicants are nonprofit entities. Assistance takes one of the following forms, depending on the use of funds, the capacity of the borrower, and the stage of the project:

- Initial Feasibility Assistance—for projects in the feasibility stage of development
- Front Money Loans—for site control and other mortgageable pre-development costs
- Technical Assistance Advances—for borrowers that cannot demonstrate the organizational management requirements for a front money loan.

Massachusetts Historical Commission
(617) 727-8470

MASSACHUSETTS PRESERVATION PROJECTS FUND

Eligible applicants are nonprofits and municipalities. Predevelopment grants range from \$5,000-30,000 and are awarded on a 50/50 matching basis, for projects involving properties that are listed—or, in certain cases, eligible for listing—on the State Register of Historic Places.

Grants and Other Resources

Massachusetts Housing Partnership
(617) 338-7868

MHP INTENSIVE COMMUNITY SUPPORT TEAM (ICST) TECHNICAL ASSISTANCE

Provides sustained, in-depth assistance to communities and their development partners. The program focuses on new production in suburban communities and provides communities with a dedicated resource to facilitate affordable housing development. The ICST helps local advocates conceptualize a project and get to a construction start. Through the multiple stages of the development process, the team helps to keep the project on track. The team can also advise developers on how to finance the affordable component of a project.

Community Economic Development Assistance Corporation
(617) 727-5944

CEDAC TECHNICAL ASSISTANCE

CEDAC staff can help assess the feasibility of a project, develop strategies about alternative development programs for a site, and advise on applicable state and federal programs, if the sponsor is an eligible nonprofit entity.

AFFORDABLE HOMEOWNERSHIP

Construction Financing Tools

Conventional lenders

Most "sales" housing is financed by the private sector. Banks and other lenders often seek out opportunities to finance affordable housing development, in part because the grants and public subsidies that contribute to a project's affordability also contribute to the safety and soundness of a loan. Some conventional lenders even have specialized community development and/or affordable housing units. Those that are members of the Federal Home Loan Bank of Boston, may use FHLBB programs to offer more competitive rates and terms to their homebuilding customers for projects that do not involve a comprehensive permit as well as those that do. The FHLBB programs that member banks most often access for affordable housing initiatives include:

THE AFFORDABLE HOUSING PROGRAM (AHP)

The Affordable Housing Program offers grants (up to \$313,000) and subsidized advances, or loans (up to \$627,000), in two competitive rounds each year, for affordable housing developments.

THE COMMUNITY DEVELOPMENT ADVANCE

The reduced-rate Community Development advance can also be accessed by FHLB member institutions to help finance the purchase, construction, rehabilitation, or predevelopment costs of projects in income-eligible neighborhoods.

THE NEW ENGLAND FUND (NEF)

The New England Fund also offers fixed-rate advances for affordable housing initiatives that do not use the comprehensive permit, and in such cases, it may serve households earning up to 140% of AMI.

MassHousing (MHFA)

(617) 854-1000

MassHousing also provides construction financing for homeownership projects. The agency raises funds through the sale of tax-exempt bonds and note to investors and uses the proceeds to fund its loan programs. Developers of housing, both for sale and rental, borrow directly from the agency. (Individual homebuyers and homeowners access MassHousing funds through participating lenders.)

Massachusetts Housing Investment Corporation (MHIC)

(617) 850-1000

MHIC provides construction financing to for-profit and nonprofit developers of affordable homeownership as well as rental housing. The source of its funding is a construction lending pool established by participating MHIC lenders.

For a homeownership development to be eligible to apply for a comprehensive permit (under MGL 40B), it must utilize one the following sources of financing:

Financial Institutions Belonging to the Federal Home Loan Bank of Boston (FHLBB)

THE NEW ENGLAND FUND (NEF)

The New England Fund, which provides fixed-rate advances to FHLBB member institutions to fund affordable housing initiatives, is a qualified subsidizing agent for developments applying for a comprehensive permits under Chapter 40B. When a FHLBB member institution plans to finance a 40B project using the NEF, the member issues the site approval or project-eligibility letter, which is required by the local Zoning Board of Appeals at the time of application. NEF advances can be used for acquisition and construction loans to create homeownership units and also for first-time home-buyer programs. To be considered a 40B-eligible project, at least 25% of the units must be set aside for households earning less than 80% of AMI. *The FHLBB is a wholesale lender only. It advances funds to its member institutions to lend on eligible projects but the FHLBB itself does not lend directly to developers.*

MassHousing

(617) 854-1000

HOUSING STARTS

Housing Starts is a MassHousing program similar to the Federal Home Loan Bank of Boston's New England Fund. Designated as an affordable housing program that meets the criteria for inclusion on the State's Subsidized Housing Inventory (at least 25% of the units must be set aside for households earning less than 80% of AMI), Housing Starts provides project eligibility and construction financing to home builders wishing to develop housing with a comprehensive permit. MassHousing issues the required site approval or project-eligibility letter, enabling the developer to apply to the local ZBA for the comprehensive permit. If granted, the developer may apply to MassHousing for construction financing and all approved developments may utilize MassHousing mortgage financing for eligible buyers.

Even though the FHLBB does not lend directly to developers of affordable housing, communities should be aware of these resources, and encourage local member banks to support the community's initiative, by accessing these funds.

DHCD Division of Private Housing**(617) 727-7765****LOCAL INITIATIVE PROGRAM (LIP)**

LIP is not a financing program, but by providing technical assistance to communities and developers who are working together to create affordable homeownership, it qualifies their developments for the comprehensive permit process and inclusion on the SHI. To be eligible, at least 25% of the units must be set aside as affordable to households earning less than 80% of the area median. This DHCD technical assistance—which may include, but is not limited to, assistance in evaluating sites, selecting developers, reviewing proposals, determining projects feasibility, and monitoring compliance with use restrictions—has been deemed to be a subsidy under Chapter 40B. The purpose of such technical assistance, and its inclusion as a qualifying subsidy, is to support the development of low and moderate income units that do not require a direct state or federal subsidy but can achieve the requisite affordability through internal cross subsidization.

As this publication was going to press, DHCD was holding hearings on several proposed changes to the Comprehensive Permit Statute, including changes related to the New England Fund and the Local Initiative Program. Be sure to check DHCD's website to make sure you have the most recent version of these regulations!

End loans (mortgages) for homebuyers**Mass Housing Partnership (MHP)****(617) 338-7868***Applicants apply through participating lenders***SOFT SECOND MORTGAGE PROGRAM**

The Soft Second Loan Program is a public/private initiative that expands homeownership opportunities for low and moderate income first-time homebuyers by combining a conventional first mortgage with a subsidized second mortgage. Income guidelines are determined by funding source and vary by community, but in no case can a purchaser earn more than 80% of AMI. Borrowers must generally make a 5% downpayment, though some communities provide additional assistance with down payment and closing costs. The program is offered in over 200 communities statewide through more than 40 participating banks. Completion of a homebuyer education program is required.

MassHousing**(617) 854-1000***Applicants apply through participating lenders***MASSADVANTAGE**

Through the Mass Advantage program, MassHousing makes available below-market rate mortgages to income eligible borrowers. Sometimes called its General Lending Program, eligibility is usually limited to households earning no more than 115% of AMI, although exceptions are made for homebuyers purchasing in certain economically distressed areas. As with all MassHousing homeowner programs, applicants apply through participating lenders. In May, MassHousing introduced MassAdvantage 100, a new, no-downpayment mortgage option for families who make enough to make the monthly payment but have not been able to save for a downpayment.

PURCHASE AND REHABILITATION PROGRAM

MassHousing's Purchase and Rehabilitation loan program covers the purchase price of the home plus necessary rehabilitation costs for first-time buyers applying through MassHousing approved rehabilitation lenders. Maximum loan amount cannot exceed 97% of the lesser of the sales price plus rehabilitation cost, or the estimated appraised value after rehabilitation. Minimum rehabilitation amount is \$7,500, and licensed contractors must complete all rehabilitation work.

MUNICIPAL MORTGAGE PROGRAM

The Municipal Mortgage Program was created to respond to the increasing inability of police, firefighters, school teachers and other municipal employees to purchase a home in the city or town where they work. The program makes mortgage financing available with no down payment required from the homebuyer. Banks provide low cost mortgage funds supported by financial guarantees provided by MassHousing's mortgage insurance fund.

Conventional Lenders

Most homebuyers obtain mortgages from conventional lending sources—banks, thrifts (savings and loans, savings or cooperative banks), mortgage companies—and often these lenders offer special programs for low and moderate income, and first-time, homebuyers. Some of these programs are the lender's own design. In other cases the lender may be offering a product that will be sold to one of the secondary mortgage market agencies like Fannie Mae or Freddie Mac, MassHousing, or using funding from the FHLBB to provide more affordable options. And in some cases, lenders may use public sources such as HOME funds to further reduce the cost of homeownership for income eligible borrowers. Like many of the government supported programs, affordable home mortgages from conventional lenders may include one or more of the following features: reduced down payment requirements, below-market rates, higher loan-to-value and debt-to-income ratios, flexible underwriting criteria, and concessions on closing costs and fees.

Grants and Other Resources

DHCD Division of Municipal Development

(617) 727-7001

COMMUNITY DEVELOPMENT FUND (CDF I & II)

A component of the state's Community Development Block Grant (CDBG) Program.

Eligible applicants are municipalities with population under 50,000 who do not receive CDBG funds directly from HUD. State receives funds from HUD and awards them on a competitive basis for a wide variety of community and economic development activities, including affordable housing. CDF, the largest of the programs administered by the state to support housing and community economic development, can be used for a wide range of projects and activities, including affordable homeownership.

HOUSING DEVELOPMENT SUPPORT PROGRAM (HDSP, OR HEADS UP)

A component of the state's Community Development Block Grant (CDBG) Program.

See description under Rental Housing, its primary use. Call DHCD to determine suitability for homeownership initiatives.

OTHER CDBG PROGRAMS MAY ALSO BE APPROPRIATE.

Call DHCD to discuss your project.

DHCD Division of Private Housing

(617) 727-7765

HOME PROGRAM

Eligible applicants are nonprofit and for-profit developers, community housing development organizations (CHDOs) and municipalities. All applications require approval of chief elected official of community.

- Can be used to support acquisition and/or rehab or new construction of units for sale to income eligible first time homebuyers (maximum project size, 5 units)
- Can be used to provide interest subsidy, down payment and/or closing cost assistance for homebuyers earning less than 80% AMI

Massachusetts Housing Investment Corporation (MHIC)

(617) 850-1000

MHIC offers a broad array of financing products—including acquisition, construction and permanent financing, lines of credit, and bridge loans—to nonprofit and for-profit developers for housing of all types. Its major business, though, is the financing of rental housing, through the provision of construction loans, the raising of equity through the sale of low income housing tax credits, and bridge financing for projects that have secured tax credits. It makes loans from \$250,000 to \$10,000,000.

ONESOURCE

MHIC and MHP offer a streamlined financing option called OneSource that provides construction financing (from MHIC) and permanent financing (from MHP) in a single package. By using the same attorneys, inspectors, appraisers, etc., and many of the same loan documents, closing costs can be greatly reduced. Other construction lenders may also use OneSource.

ONESTOP

Another tool developed collaboratively by the various state affordable housing lenders is the One Stop application. This detailed application is a useful tool for developers of complex tax credit projects that require multiple sources of public and private financing. It ensures that all the various funders are seeing the same set of numbers and the same complete financing picture (debt and equity).

Massachusetts Housing Partnership Fund (MHP)

(617) 338-7868

The MHP Fund offers several different permanent loan products that can be used to take out construction loans on affordable rental projects involving moderate or substantial renovation.

PERMANENT RENTAL FINANCING PROGRAM (PRFP)

MHP's Permanent Rental financing Program is available to for-profit and nonprofit borrowers, and provides loan amounts between \$250,000 and \$9 million. It provides long-term fixed-rate loans for multifamily rental properties (5+ units, including single-room occupancies). Multiple buildings in close proximity may be financed with one loan. Minor renovations may be funded through a holdback of a portion of the loan at closing; on new construction or projects involving significant renovation, MHP "takes-out" the construction loan upon completion and lease-up.

PERMANENT PLUS PROGRAM (PERM PLUS)

Perm Plus combines PRFP loans of up to \$2 million with a 0%, deferred payment second mortgage of up to \$40,000 per unit in one financing package for affordable rental properties that require no more than moderate rehabilitation.

SMALL SCALE RENTAL PRODUCTION (SSRP)

SSRP has been developed to efficiently finance the new production of smaller affordable rental properties in Massachusetts. The program couples MHP's fixed-rate permanent financing with 0% deferred payment loans of up to \$90,000 per affordable unit for the new construction of affordable housing.

MHP'S MASSACHUSETTS TAX-EXEMPT CREDIT FOR HOUSING (MATCH)

Offered jointly with MassDevelopment, MATCH provides tax exempt bond financing to 501(c)(3) nonprofit owners for multifamily projects. Financing is available in amounts ranging from \$3-10,000,000 per project. Bond proceeds may be used for acquiring expiring use properties, refinancing existing properties, or take-out financing for newly constructed properties. MHP provides the credit enhancement.

MassDevelopment

See MATCH program under MHP

- MassDevelopment also provides permanent tax exempt bond financing with 4% tax credits in amounts of \$1,000,000—5,000,000.
- If a housing development requires remediation of contamination, MassDevelopment can provide financing for this purpose as well.

Conventional Lenders

A number of conventional lenders also provide construction and permanent financing, bridge loans and lines of credit for affordable rental housing, some through specialized community development units. Conventional lenders that are members of the Federal Home Loan Bank of Boston, may use the FHLBB programs described under financing options for Homeownership Development to offer more competitive rates and terms.

Other Lenders

THE LIFE INITIATIVE

A private community investment fund capitalized by a consortium of eleven Massachusetts life insurance companies in 1998. TLI invests in a range of community development activities including affordable housing, channeling most (2/3) of its loans and investments through community loan funds and intermediaries.

PROPERTY AND CASUALTY INITIATIVE

A private community development loan fund capitalized by a consortium of twenty-six Massachusetts property and casualty insurance companies in 1999. PCI lends to a range of community development projects including affordable housing. It makes most of its loans directly, but may also participate with other community lenders.

COMMUNITY LOAN FUNDS, ETC.

Community loan funds get their funding from individuals, religious organizations, financial institutions, foundations, and corporations who want to make socially responsible investments in the community. They make flexible loans and investments for community development projects that often are unbankable by conventional industry standards. Many loan funds provide technical assistance to their borrowers as well. Often they are community development financial institutions (CDFI)—private financial intermediaries with community development as its primary mission—certified by the U.S. Treasury. A list of Massachusetts CDFIs can be found at www.cdfifund.gov.

Grants and Other Resources

DHCD Division of Municipal Development (617) 727-7001

COMMUNITY DEVELOPMENT FUND (CDF I & II)

A component of the state's Community Development Block Grant (CDBG) Program. Eligible applicants are municipalities with population under 50,000 who do not receive CDBG funds directly from HUD. State receives funds from HUD and awards them on a competitive basis for a wide variety of community and economic development activities, including affordable housing.

- CDF, the largest of the programs administered by the state to support housing and community economic development, can be used for a wide range of projects and activities, including rental production, rehab and other housing related uses.

HOUSING DEVELOPMENT SUPPORT PROGRAM (HDSP, OR HEADS UP)

A component of the state's Community Development Block Grant (CDBG) Program.

Eligible applicants are municipalities with population under 50,000 who do not receive CDBG funds directly from HUD. Funds are available as grants to the municipality, which may structure them as deferred payment loans.

- Can be used for acquisition, rehabilitation, site work and infrastructure for the creation of affordable rental housing (through adaptive reuse, rehabilitation and limited new construction). At least half the units must be reserved for households earning no more than 80% of AMI. Generally maximum amount is \$400,000/project, 7 units maximum.

OTHER CDBG PROGRAMS MAY ALSO BE APPROPRIATE.

Call DHCD to discuss your project.

DHCD Division of Private Housing

(617) 727-7765

HOUSING INNOVATIONS FUND (HIF)

Eligible applicants are nonprofit developers. Funds are available as a deferred payment loan.

- Can be used for transitional or permanent rental housing for low income individuals with special needs, the homeless or those at risk of homelessness. At least half the units must be reserved for households earning no more than 50% of AMI

HOME PROGRAM

Eligible applicants are nonprofit and for-profit developers, CHDO's and municipalities. Funds are available as 30 year deferred payment loans. All applications require approval of chief elected official of community.

- Can be used for acquisition, rehab or new construction for multifamily rental housing. All units must be targeted to households earning no more than 60% of AMI; 20% must be affordable to households earning no more than 50%. Maximum per project is \$600,000 and \$40,000 per HOME assisted unit (\$45,000 in non-entitlement communities).
- Can also be used for tenant-based rental assistance with priority given to families earning no more than 50% of AMI living in shelters or transitional housing or individuals with immunological diseases

HOUSING STABILIZATION FUND (HSF)

Two of the three subprograms within HSF may be used for rental housing. Eligible applicants are municipalities alone or in partnership with non-profit and for-profit developers

- To support development of rental units. Maximum funding per project is \$700,000 (\$30,000/unit). Municipality must have DHCD-approved neighborhood plan and CDBG or HOME Entitlement or HOME Consortium communities must commit local funds (Neighborhood Restoration Initiative).
- To support the acquisition, rehabilitation and reuse of distressed, foreclosed or abandoned properties as affordable housing. New construction allowed under certain circumstances. Minimum project size 5 units. Maximum funding per project is \$600,000 (\$40,000/unit in HOME Entitlement or HOME Consortium communities, \$45,000 elsewhere). (Rehabilitation Initiative)

LOW INCOME HOUSING TAX CREDITS (LIHTC)

Eligible applicants are nonprofit and for-profit developers

- The LIHTC program enables developers of affordable rental housing to raise capital from investors in order to reduce the amount they need to borrow. Intermediaries, or syndicators, typically link investors with projects, often pooling investors' capital into equity funds that support a number of projects. In exchange for providing funding, investors are entitled to take either a 4% or 9% tax credit (depending on project financing), for ten years. At least 20% of the units must be reserved for households earning no more than 50% of AMI, or 40% must be affordable to those earning no more than 60% of AMI.

MassHousing

(617) 854-1000

AFFORDABLE HOUSING TRUST FUND (AHTF)

- Functions as a gap filler, the last funding piece necessary to make an affordable housing development financially feasible and sustainable for the long term. Funding is typically in the form of deferred payment loans.

AFFORDABLE HOUSING FOR SENIORS AND SPECIAL NEEDS Financing Tools*

MassHousing (MHFA)

(617) 854-1000

ELDERCHOICE PROGRAM

Elder CHOICE provides financing for assisted living rental housing with supportive services for frail elders. Assisted living maximizes elders' ability to live independently in a residential setting by providing assistance with activities of daily living. Service programs typically include assistance with personal care needs; household maintenance, laundry service, medical monitoring, and transportation; 2-3 meals per day, 24-hour emergency response; and service coordination and case management.

ELDER 80/20

The Elder 80/20 Program is designed to serve elders who wish to live in independent rental apartments with on-site access to supportive services as needed, filling a niche between conventional elderly housing and the full-service personal care provided by the ElderCHOICE program. A minimum of 20% of the units in an Elder 80/20 development must be reserved for low-income occupancy.

OPTIONS FOR INDEPENDENCE PROGRAM

The Options for Independence Program is designed to provide financing for community-based residences for formerly institutionalized persons with mental illness or mental retardation, the homeless mentally ill, and other under served individuals. Eligible sponsors are qualified non-profit 501(c)3 entities who have developer designation from the state's Division of Capital Planning, a 20-30 year lease commitment to cover all debt service and property maintenance costs, and a commitment from the Department of Mental Health or the Department of Mental Retardation to provide appropriate services to residents during the term of the loan.

HUD

(617) 994-8200

SECTION 202—SUPPORTIVE HOUSING FOR THE ELDERLY

This competitive grant program provides capital advances for rental housing projects with supportive services that serve very low income elderly persons (62 years or older). The program provides interest-free advances to private, nonprofit organizations to construct or rehabilitate rental housing. The advance remains interest-free and does not need to be repaid as long as the housing remains available for very low income elderly people for at least 40 years. It also provides rental assistance to project residents.

SECTION 811—HOUSING FOR PERSONS WITH DISABILITIES

This competitive grant program provides capital advances to assist nonprofit corporations to finance the acquisition, construction or rehabilitation of group homes or housing and other expenses of supportive housing for low income persons with disabilities. The advance remains interest-free and does not need to be repaid as long as the housing remains available for low income persons with disabilities for at least 40 years. It also provides rental assistance to project residents.

DHCD Division of Private Housing

(617) 727-7765

FACILITIES CONSOLIDATION FUND

A Massachusetts bond-financed loan program created to finance the construction of community based housing for clients of the Departments of Mental Health and Mental Retardation. These are deferred, loans for up to 30% of the total development cost. Eligible applicants are CEDAC-qualifying nonprofits.

*** In addition, many of the financing tools described elsewhere—whether from public, quasi-public or private sources—can be accessed for housing that targets special needs populations.**

PRESERVATION OF EXISTING AFFORDABLE HOUSING

Financing Tools

MassHousing

HOME IMPROVEMENT LOAN PROGRAM (HILP)

HILP provides financing for income-eligible homeowners to repair their one-to-four family, owner-occupied, properties (including condominiums). Loan amounts of \$5,000- \$25,000 are available, with terms of 5-15 years. Maximum loan-to-value is 100% of assessed or appraised value; borrower debt-to-income ratio cannot exceed 50% of stable monthly income. Application is made through one of MassHousing's housing rehabilitation agencies.

GET THE LEAD OUT

The Get The Lead Out Program provides low cost financing to owners of 1–4 family properties to remove lead paint and reduce the possibilities of lead poisoning among children. Income eligible owner-occupants are eligible for a 0% deferred payment loan not due until the sale or refinancing of the property; non-profit organizations are eligible for 0% fully amortizing loans on properties that are being rented to income eligible households; and investor owners are eligible for 3% fully amortizing loans on properties that are being rented to income eligible households. Maximum loan amounts are: \$20,000 for a single-family, \$25,000 for a 2-family, \$30,000 for a 3-family, and \$35,000 for a 4-family. Application is made through one of MassHousing's housing rehabilitation agencies.

SEPTIC REPAIR LOAN PROGRAM

Financial help is available for all income-eligible homeowners faced with a need to repair a failed septic system to meet the Commonwealth's Title V requirements. Through a combined effort of the Massachusetts Departments of Environmental Protection, Revenue, and MassHousing, below-market-rate loans are available. Eligible properties include 1-4 family homes, including condominiums. Loan amounts of between \$1,000 to \$25,000 are available for terms of 3-20 years. Interest rates are 0%, 3%, or 5% depending on household income. Maximum loan is based on credit, not property value.

CONVENTIONAL LENDERS

Many homeowners obtain financing for home improvements, including lead paint abatement and septic repairs or replacement from conventional lending sources—banks, thrifts (savings and loans, savings or cooperative banks), mortgage companies. This can be done by refinancing, but sometimes lenders offer special programs for low and moderate income homeowners. Some of these programs are the lender's own design. In other cases the lender may be offering a product that will be sold to one of the secondary mortgage market agencies like Fannie Mae or Freddie Mac, MassHousing, or using funding from the FHLBB to provide more affordable options. And in some cases, lenders may use public sources such as HOME to write down the cost.

Grants and Other Resources

DHCD Division of Private Housing

HOME PROGRAM

Eligible applicants are non-profit and for-profit developers, CHDO's and municipalities. All applications require approval of chief elected official of community.

- HOME funds can be used for rehabilitation of 1-4 family homes, owner occupied by an individual or family earning less than 80% of AMI.

appendix D

the affordable housing rolodex

There are many government, quasi-public, private nonprofit and private for-profit entities involved in developing or financing affordable housing and providing key support services. This list provides some of the most useful resources. Many of them provide links to other websites that you may find helpful. The ones you absolutely must know about are flagged! (✓)

✓ Citizens' Housing and Planning Association (CHAPA)

18 Tremont Street, Boston, MA 02118
(617) 742-0820

www.chapa.org

One-stop shopping for information on affordable housing and community planning, CHAPA's website provides policy information, legislative updates, research, and links to government and nonprofit agencies, data sources, consultants. You can also join CHAPA for \$65/year and enjoy the benefit of regular updates on relevant issues and programs; conferences and training; information and referrals; and research.

Citizen Planner Training Collaborative

www.umass.edu/masscptc

Provides local planning and zoning officials with tools and information about land use planning. Website provides training materials, sample by-laws, and many planning related links. Two other sources of sample by-laws are the regional planning agencies, SRPEDD and the Cape Cod Commission.

Community Economic Development Assistance Corporation (CEDAC)

18 Tremont Street, Boston, MA 02108
(617) 727-5944

www.cedac.org

CEDAC works with nonprofits to develop and preserve low and moderate income housing. It also helps community organizations and municipalities develop strategies for the preservation of the state's expiring use (EUR) properties and serves as DHCD's agent for two programs serving the housing needs of low income and special needs populations. Its website describes CEDAC's resources and services.

✓ Community Preservation Act information

www.communitypreservation.org

A website set up to help individuals and municipalities understand and implement the CPA. Includes the legislation, FAQs, tools to estimate what the CPA surcharge would generate in your community, and examples of CPA funded (or eligible) projects. Detailed guidance on CPA implementation can also be found in the Department of Revenue's Informational Guideline Release (IGR) # 00-209 and 01-207 by entering "IGR" in the search box at the massgov/dls website listed below.

✓ Department of Housing and Community Development (DHCD)

One Congress Street, Boston, MA 02114
(617) 727-7765

www.ma.gov/dhcd

On the website of the state's lead agency for housing and community development programs and policy you can get a complete list of all DHCD publications and program guidelines, including *Building Vibrant Communities*; its companion, *Resources for Vibrant Communities*; and *How to Obtain Housing Assistance in Massachusetts*, which

provides names, addresses and phone numbers of local key housing providers. Also, everything you need to know about 40B, the comprehensive permit statute, the State's subsidized housing inventory (SHI) and Executive Order 418.

- To reach other state agencies, go to the main Massachusetts website: www.mass.gov
- To find most city or town websites, go to www.ci.townname.ma.us Or, do a keyword search "Town name, MA."
- To access a profile of your community prepared by DHCD (called Commonwealth Communities), go to www.ma.gov/cc
- To get information about home sales and housing prices by city or town, go to the Warren Group (publisher of the weekly real estate newspaper Banker and Tradesman) website: rers.thewarrengroup.com/townstats/search.asp

Division of Capital Asset Management and Maintenance (DCAM)

One Ashburton Place, Boston, MA 02108
(617) 727-4050

www.ma.gov/cam

DCAM's Office of Real Estate are the folks to call if any state agency owns property in your community that might be suitable for reuse as affordable housing.

Federal Home Loan Bank of Boston

111 Huntington Avenue, Boston, MA 02199
(888) 424-3863 (toll free)

www.fhlbboston.com

Website provides information on FHLBB programs and projects, plus other useful information and links related to community development, affordable housing and smart growth.

Historic Massachusetts, Inc. (HMI)

45 School Street, Boston, MA 02108
(617) 723-3383

www/historicmass.org

Website provides information on Historic Massachusetts programs that help communities save their character and historic assets; also recent examples of HMI collaborations on affordable housing projects.

Massachusetts Affordable Housing Alliance

1803 Dorchester Avenue, Boston, MA 02124
(617) 822-9100

www.mahahome.org

Website provides lots of info for first-time homebuyers.

Massachusetts Association of CDCs (MACDC)

99 Chauncy Street, Boston, MA 02111
(617) 426-0303

www.macdc.org

Website provides info on MACDC activities and links to other websites. Lists MACDC members. For \$20 you can get a listing detailing CDC development activities, existing and pipeline.

Massachusetts Department of Revenue, Division of Local Services

www.mass.gov/dls

Municipal Data Bank website has useful information on municipal property taxes, financial indicators, socioeconomic data, and state aid figures (cherry sheets) for every community in Massachusetts.

Massachusetts Governor's Office for Brownfields Revitalization**www.ma.gov/brownfields**

State's official brownfields website. Some of this information is also available on MassDevelopment's website, but this is where you should start if you are looking to see if there are any brownfields in your community. (Go to search available sites.)

Massachusetts Historical Commission

220 Morrissey Boulevard, Boston, MA 02125

(617) 727-8470

www.ma.gov/sec/mhc

Call or go online for information on the MHC-administered Massachusetts Preservation Projects Fund; also for a copy of *Preservation through Bylaws and Ordinances: Tools and Techniques for Preservation Used by Communities in Massachusetts*.

Massachusetts Housing Investment Corporation

70 Federal Street, Boston, MA 02110

(617) 850-1000

www.mhic.com

MHIC's website describes its debt and equity financing tools and showcases properties it has financed. If you browse several of these websites, you'll see some projects more than once. That's because most affordable housing developments in Massachusetts—especially rental housing—used debt and equity from several funding sources.

✓Massachusetts Housing Partnership Fund (MHP)

2 Oliver Street, Boston, MA 02109

(617) 338-7868

www.mhpfund.com

MHP's website includes information on all its programs: technical assistance, predevelopment financing, soft second mortgages, and financing for rental housing. There are photos and profiles of projects MHP worked on and several useful publications, including some on incentive and inclusionary zoning and on starting a housing partnership.

Massachusetts Municipal Association

60 Temple Place, Boston, MA 02111

(617) 426-7272

www.mma.org

MMA is a nonprofit, non-partisan organization that provides advocacy, research and other services to Massachusetts cities and towns. Its website provides lots of useful information for local officials, including information on housing, planning and growth management issues.

Massachusetts Nonprofit Housing Association

18 Tremont Street, Boston, MA 02108

(617) 367-9404 or (800) 224-5124

www.masshousinginfo.org

Among their other activities, the Massachusetts Nonprofit Housing Association members act as the Housing Consumer Education Centers for their regions. This website provides links to the regional nonprofit organizations' websites as well as consumer information on homebuying and many other housing issues.

MassDevelopment

75 Federal Street, Boston, MA 02110

(800) 445-8030

www.massdevelopment.com

Info on MassDevelopment's broad array of financing tools and projects, and descriptions of its recent transactions and newsletters.

MassHousing

One Beacon Street, Boston, MA 02108
(617) 854-1000

<http://www.masshousing.com>

MassHousing's website includes program descriptions and guidelines for all its rental and homeownership products as well as the state's Affordable Housing Trust Fund, which it administers. There is also information for tenants as well as developers on the 60,000+ privately owned and managed apartments that MassHousing has financed.

National Trust for Historic Preservation, Northeast Office

Seven Faneuil Hall Marketplace, Boston, MA 02109
(617) 523-0885

www.nthp.org

The Boston Office of the National Trust can be accessed by going to the main NTHP site and clicking on "The National Trust in Your State." Watch this site for imminent release of new resource guide featuring preservation tools, including those available for use in affordable housing development.

Area Schools and Universities

Always a good source of information. Massachusetts has a number of schools with undergraduate and graduate programs in housing and planning and related fields. Many have affiliated research centers. If there is a school in your area, check it out. Five that have published studies recently on affordable housing issues and strategies are:

Harvard University Joint Center for Housing Studies

www.jchs.harvard.edu

State of the Nation's Housing (annual publication)

Northeastern University Center for Urban and Regional Policy

www.curp.neu.edu

The Greater Boston Report Card

UMass Donahue Institute

www.donahue.umassp.edu

A Profile of Housing in Massachusetts

UMass McCormack Institute

www.mccormack.umb.edu

Situation Critical: Meeting the Housing Needs of Lower Income Massachusetts Residents

UMass Lowell Center for Family, Work, and Community

<http://www.uml.edu>

Meeting Lowell's Housing Needs: A Comprehensive Look

Includes lots of information on increasing awareness of, and rallying support for, affordable housing in general that makes it useful outside the Lowell area.

Census Data

The really useful decennial census data that includes population and housing characteristics, the so-called SF3 and SF4 files are in the process of being released (Fall/Winter 2002). The information contained in these files is based on questions asked of a 1 in 6 households (the so-called long form). The information that has already been released was based on the 100% count (the short form).

U.S. Census

www.census.gov, or

www.factfinder.census.gov

Loads of data at the federal, state and local level on population and homeownership, housing affordability, vacancy rates, etc. Census.gov is the main site, but to access the 1990 and 2000 data, go directly to factfinder.

Massachusetts Institute for Social and Economic Research (MISER)

www.umass.edu/miser

State's data center at UMass-Amherst. MISER is the official liaison between the state and the Census Bureau. Many census products and other reports and projections are available online. Massachusetts building permit data is also available on this site.

For a modest fee MISER will prepare a comprehensive profile for your community using many of the tables from the sample data when it is available. Everyone should get one, for 2000 and—if you don't already have it—for 1990. It's well worth the investment. . . your library probably wants a copy, too. You'll be able to get the same information online, but it won't be as handy as that hard copy will be.

Regional Planning Agencies**Berkshire County Regional Planning**

(413) 442-1521

www.berkshireplanning.org

Cape Cod Commission

(508) 362-3828

www.capecodcommission.org

Central Massachusetts Regional Planning Commission

(508) 576-7717

www.cmrpc.org

Franklin Regional Council of Governments

(413) 774-3167

www.frcog.org

Martha's Vineyard Commission

(508) 693-3453

Merrimack Valley Planning Commission

(978) 374-0519

www.mvpc.org

Metropolitan Area Planning Council

(617) 451-2770

www.mapc.org

Montachusett Regional Planning Commission

(978) 345-7376

www.mrpc.org

Nantucket Planning and Economic Development Commission

(508) 228-7237

www.nantucketcomplan.com

Northern Middlesex Council of Governments

(978) 454-8021

www.cog.org

Old Colony Planning Council

(508) 583-1833

www.ocpcrpa.org

Pioneer Valley Planning Commission

(413) 781-6045

www.pvpc.org

Southeastern Regional Planning and Economic Development District

(508) 824-1367

<http://www.srpedd.org>

Other Websites for Affordable Housing, Community Development, Planning, and Smart Growth

(Remember: it's not how much information you have, it's what you do with it that counts!)

American Planning Association

www.planning.org

Home page of the APA contains general information as well as publication lists

Massachusetts Chapter www.massapa.org

Boston Society of Architects

www.architects.org

BSA's Civic Initiative focuses on smart growth and livable communities. Search "Civic Initiative."

Center for Community Change

www.communitychange.org

National nonprofit providing information and assistance to community based organizations. Its Housing Trust Fund Project acts as a clearinghouse of information on more than 150 housing trust funds nationwide and assists organizations and agencies working to create, implement or expand trust funds. Many useful publications available online.

Community Development Financial Institution (CDFI) Fund

www.cdfifund.gov

CDFIs provide a wide range of financial products and services, including mortgage financing, commercial loans, financing for community facilities, and financial services needed by low income households. Some also provide technical assistance. A list of Massachusetts CDFIs can be found by clicking on "Certification" under "Programs."

Department of Housing and Urban Development (HUD)

www.hud.gov, or

www.huduser.org

HUD.gov is the agency's official website with more information than you will ever need on all its programs, but it is reasonably user friendly. You might find "Spotlighting What Works," its information sharing site, useful. HUD USER, the website of HUD's Policy Development and Research Division, provides a wealth of current information about housing and community development policy initiatives and research for government officials and practitioners. HUD's Boston area website is www.hud.gov/local/bos.

Housing Design Advisor

www.designadvisor.org

A tool, resource, idea bank and guide to design in affordable housing. Good design matters!

Local Initiatives Support Corporation**www.liscnet.org**

Primarily a resource for nonprofits, website has an especially good online resource library of information, case studies, tools and best practices on housing, community development and smart growth.

MassINC**www.massinc.org**

Boston based think tank and advocacy organization that publishes timely educational research in the areas of economic prosperity, lifelong learning, safe neighborhoods, and civic renewal.

National Low Income Housing Coalition**www.nlihc.org**

NLIHC is a national education, organizing and advocacy organization dedicated to increasing and preserving the supply of affordable housing. Each year it publishes the "Advocate's Guide to Housing and Community Development Policy" to help keep advocates current on a wide range of issues, programs and tools at play in the world of housing policy. The guide and lots of other useful information is available on this website.

Planning Commissioners Journal Citizen Planner Resource Center**www.plannersweb.com**

An excellent resource for the citizen planner. Includes articles, electronic resources and sites of interest.

Rocky Mountain Institute**www.greenhomebuilding.com**

A comprehensive website devoted to alternative building and sustainable architecture.

State of Maryland's Office of State Planning**www.op.state.md.us/smartgrowth**

One of the states at the cutting edge of fair share affordable housing and smart growth, Maryland has already identified many of the most useful smart growth websites. Click on "National Center for Smart Growth Research and Education."

The Enterprise Foundation**www.enterprisefoundation.org**

Enterprise supports the efforts of nonprofit organizations nationally, but its resource database, housing developer support system and resource catalogue could be useful to all affordable housing practitioners.

The Trust for Public Land (TPL)**www.tpl.org**

A comprehensive website that describes not only TPL's activities but those of other organizations involved with open space protection and conservation. Features initiatives and resources by state.

U.S. Department of Agriculture Rural Development (RHS)**www.rurdev.usda.gov/ProgramBriefs/program_info.htm**

Useful resource for small communities. Click on "Programs" for a list of Rural Housing programs.

Women's Institute for Housing and Economic Development

14 Beacon Street, Boston, MA 02108

(617) 367-0520

www.wihed.org

Good resource for those interested in building supportive communities for low income women and their families.

Appendix E

Lowry Development: Critical Path and Representative Timeline

Critical Path and Representative Timeline

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